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THE BRITISH MONOPOLY OF THE NORTHWEST  
FUR TRADE, 1774-1796

BY

WAYNE EDSON STEVENS  
A. B. Knox College, 1913  
A. M. University of Illinois, 1914

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THESIS

Submitted in Partial Fulfillment of the Requirements for the

Degree of

DOCTOR OF PHILOSOPHY

IN HISTORY

IN

THE GRADUATE SCHOOL

OF THE

UNIVERSITY OF ILLINOIS

1916



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I HEREBY RECOMMEND THAT THE THESIS PREPARED UNDER MY SUPER-  
VISION BY Wayne Edson Stevens

ENTITLED The British Monopoly of the Northwest Fur Trade,  
1774-1796

BE ACCEPTED AS FULFILLING THIS PART OF THE REQUIREMENTS FOR THE  
DEGREE OF Doctor of Philosophy

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## PREFACE

The present study represents an attempt to throw a little new light upon a phase of American history which has been somewhat neglected in the past. There is great need for a thorough study of the subject of the fur trade in all its various phases, social, economic, and political, without which the history of the American frontier can never be adequately interpreted. In the present instance, the writer has endeavored to describe the northwest fur trade during the period of British ascendancy prior to 1800, and likewise to trace the influence of this traffic upon the diplomacy of the time.

Particular emphasis has been laid upon the economic and political aspects of the industry, the nature of the contact between the white trader and the red man having been touched upon but lightly. Limitations of time and space have made it seem desirable to omit for the present a detailed description of the more romantic aspects of the fur trade; while there is the additional consideration that this phase of the subject may best be studied in the journals and diaries of the traders themselves, a great many of which are accessible to the general reader in printed form. One who desires to obtain a picture of the romantic and adventurous side of this wilderness traffic can do no better than to secure it at first hand from the "Journals" of Peter Pond and John Long or from Alexander Mackenzie's





Voyages. The writer also feels it necessary to call attention to the fact that his treatment of Anglo-American diplomacy of the period between 1774 and 1796 is in a sense incomplete, as all that has been attempted has been to trace the influence of the peltry trade in the relations between Great Britain and the United States. While little has been said concerning certain other very important considerations affecting the negotiation of the Treaty of 1783 and the Jay Treaty, at the same time an effort has been made to avoid laying an undue emphasis upon the importance of the traffic in furs.

A large part of the introductory chapter is based upon work which has already been done by others; and the frequency with which certain titles appear in the footnotes will indicate the persons to whom the writer is indebted for this material. The remaining chapters are based for the most part upon original sources, in both printed and manuscript form. In collecting this original material, the following repositories were visited personally: the Canadian Archives at Ottawa; the Archives of the District of Montreal; the library of McGill University and the Bibliothèque Saint-Sulpice, at Montreal; the Toronto Public Library; and the Burton Collection at Detroit, which now forms a part of the Detroit Public Library. At each of these places every possible courtesy was shown the writer and every possible facility was placed at his disposal for conducting his research. A considerable amount of material in the form of transcripts has also been obtained from London archives, especially from the Public Record Office, which has served to





throw much light upon diplomatic aspects of the fur trade.

The study which is contained in the following pages was undertaken at the suggestion of Professor Clarence W. Alvord and has been completed under his supervision. To him the writer desires to express his gratitude, both for the criticism and advice which he has offered from time to time during the progress of the work, and for the assistance which he has rendered in the task of gathering the necessary material.



## C O N T E N T S

	Page
Preface. . . . .	iii.
Chapter I. Introduction. . . . .	1
Chapter II. The Revolution and the Fur Trade. . . . .	41
Chapter III. The Treaty of 1783. . . . .	82
Chapter IV. British Trade Monopoly, 1783-1796. . . . .	110
Chapter V. Traders and Trading Companies. . . . .	148
Chapter VI. The Fur Trade Process. . . . .	188
Chapter VII. Diplomacy and the Fur Trade. . . . .	215
Bibliography. . . . .	249
Vita. . . . .	269



## CHAPTER I.

Introduction

The fur trade of North America began with the first contact between Europeans and the native Indians and has continued to the present day. The geographical area which has at one time and another been the scene of the traders' operations is practically co-extensive with the continent itself. In his search for furs and peltries, the white man has roamed from the lands bordering the warm waters of the Gulf of Mexico to the frozen regions lying under the Arctic Circle and from the rock-bound shores of New England to the distant "Northwest coast." The story of the traffic in furs must of necessity constitute the principal theme of the early chapters in the history of almost any part of North America. The era of the fur trade has, generally speaking, been but a transitory stage in the historical development of any given region, beginning with the penetration of the wilderness by the explorer and disappearing before the onward march of the settler.<sup>1</sup> In the far North, however, where a rigorous climate has barred the settler's advance, the industry still flourishes, and the Hudson's Bay Company stands to the people of milder regions as a living reminder of their own vanished past.

In the story of no portion of North America has the peltry trade played a more important and romantic rôle than in that of the mighty region drained by the Great Lakes and the

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<sup>1</sup>Turner, "The Significance of the Frontier in American History," American Historical Association Report, 1893, pp. 208-211.





upper Mississippi.<sup>1</sup> This vast area was originally a country teeming with fur-bearing animals and, moreover, the marvelous system of lakes and rivers by which it was drained rendered possible the profitable exploitation of the industry. The history of the region is, in fact, utterly incomprehensible without a knowledge of the fur trade, which is so intimately bound up with the story of early settlement, Indian relations, war, and international diplomacy.

The year 1763 is of great importance for the history of the northwest trade, for it saw the consummation of a political change which had momentous consequences for the commerce of the region. It marked the close of the period of French ascendancy and the beginning of an era in which the subjects of Great Britain were to play the leading rôle. It is the purpose of this study to trace the development of the fur trade under British influence but before undertaking this task, a few words should be said concerning the general characteristics of the period which ended in 1763.

Trade with the Indians went hand in hand with the early exploration and settlement of North America. Gosnold

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<sup>1</sup>This region may, for the sake of convenience, be referred to as the "Northwest," a term which has had various meanings at different times. During the period covered by the present study, the word "Northwest" was applied almost exclusively to the country beyond Lake Superior. For present purposes, however, it has not seemed wise to employ it in this restricted sense, so when the word is used in these pages, it will be understood to refer to the country lying northwest of the Ohio, and including the area drained by the Great Lakes and the upper Mississippi, as well as those more remote regions which were penetrated by the traders resorting to Michillimackinac.





bartered with the savages on his voyage to the coast of New England in 1602, and in 1622, Captain John Smith reported that a great many beaver skins had been sent from Canada and New England during the past six years.<sup>1</sup> The rapid extension of the peltry trade was only a matter of time as the fur-bearing country along the coast became exhausted and competition increased. As the traders began pushing into the interior from the coast, it was natural that the colonies having easy access to the Mississippi Valley and the Great Lakes should enjoy superior advantages, and the result was that New York and Pennsylvania came to possess a virtual monopoly of the English traffic in furs.<sup>2</sup> Albany, which controlled the route to Lake Ontario, became the great center of the business, which was at first carried on largely by the frontier settlers living in the Mohawk River valley. The early traders of Pennsylvania were likewise mostly frontiersmen who transported their goods to the Indian country by means of pack horses.<sup>3</sup>

In Canada, the industry was from the very first under the strict supervision of the government. Cherishing the fond hope of founding a populous colony, the French government at the beginning made an effort to prevent Canadian

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<sup>1</sup>McIlwain, Wraxall's Abridgment of the New York Indian Records, 1678-1751, pp. XII, XIII. For a good summary of the New England fur trade, see Note A, Ibid., p. XXVIII.

<sup>2</sup>McIlwain, Wraxall's Abridgment, pp. XV., XXVII., XVIII.

<sup>3</sup>Johnson, Report to the Lords of Trade, New York Colonial Documents, VII., 953.



traders from going into the interior. To this end, great fairs were established at Montreal and Three Rivers, in the expectation that the distant tribes by bringing their furs thither to be sold, would thus make it unnecessary for the colonists to go into the Indian country themselves. The plan was a failure, however, because traders established themselves above Montreal, and intercepted the Indians as they descended the river, and purchased their furs.<sup>1</sup> It was but a short time before the younger and more adventurous members of the community began to take to the woods in order to carry on the trade; and, as this was contrary to the policy of the government, an effort was made to prevent a general exodus from the colony by granting a limited number of licenses for carrying on the commerce of the interior. In spite of government regulations there arose a large class of forest rangers, or coureurs de bois, who played a most important part in the trade during the French regime as well as the years which followed.<sup>2</sup> Along with the traders went the Jesuits, who established missions at remote places in the Great Lakes' country and labored to convert the savages to the Christian faith.<sup>3</sup>

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<sup>1</sup>Parkman, The Old Régime in Canada, II., 102-104.

<sup>2</sup>Ibid., II., 104, 105; 109-112.

<sup>3</sup>Johnson's Report, 1767, New York Colonial Documents, VII., 954.





A clash between the interests of the French and English was only a question of time. During the closing years of the seventeenth century, English traders began pushing into the region which had already been entered by their opponents, while the Hudson's Bay Company on the north began to loom up as a possible rival to the French. It was becoming apparent that if the latter desired to hold their trade, they must adopt vigorous measures. The result was that the French began to build stockaded trading posts at strategic points in the interior in order to preserve the fur trade and the friendship of the Indians, upon which the former so vitally depended.<sup>1</sup> A period of intense intercolonial rivalry began which did not end until the signing of the Treaty of Paris.

The English were considerably handicapped at the outset, inasmuch as their rivals had obtained an earlier start and had penetrated the Northwest long before them.<sup>2</sup> The French traders had made the most of their start in order to gain the friendship of the Indians, a task in which they were assisted by the influence which their countrymen, the Jesuits, exercised over the tribes which they visited.<sup>3</sup> Then,  
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<sup>1</sup>Turner, "The Indian Trade of Wisconsin," 33. Johns Hopkins University Studies, 9th Series, 11-12. The Hudson's Bay Company was founded in 1670, and Dongan, while governor of New York, endeavored to extend British trade into the Great Lakes' region. See also McIlwain, Wraxall's Abridgment, pp. LXI-LXIV.

<sup>2</sup>McIlwain, Wraxall's Abridgment, p. XL.

<sup>3</sup>Carter, Great Britain and the Illinois Country, 78; Johnson, Report on Indian Affairs, 1767, New York Colonial Documents, VII., 954.



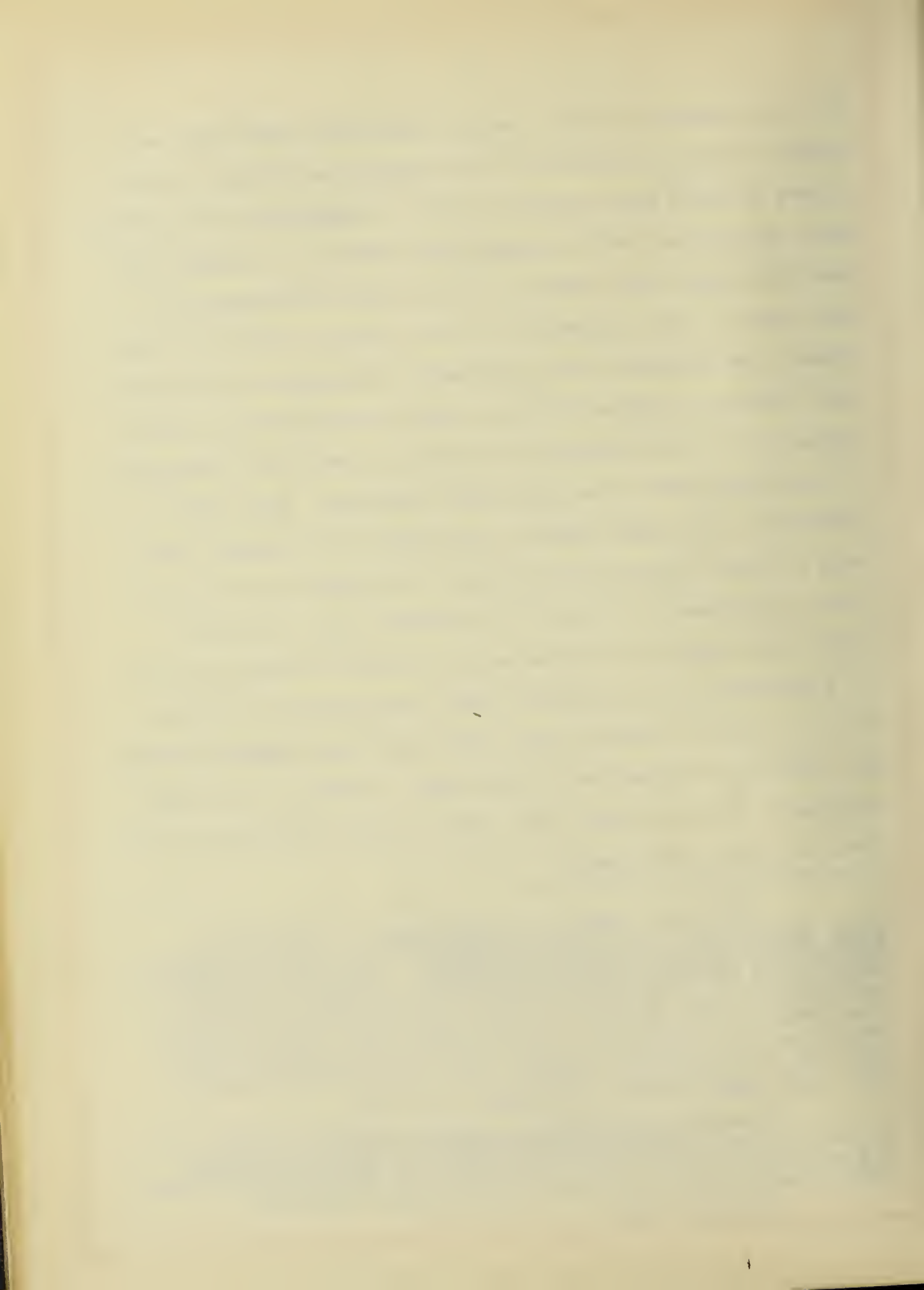
too, the character of the French traders was such that they readily adapted themselves to the manners and customs of the tribes to which they resorted, while the English, on the other hand, were often lawless persons who cheated the savages and committed many other abuses, the inevitable consequence of which was to cause themselves to be cordially disliked.<sup>1</sup> The French also possessed the inestimable advantage of a centralized control of Indian affairs, while the English were handicapped by the inefficiency of a system in which the management of trade was left to the individual colonies. The French government took great pains to conciliate the Indians, and in case a trader was guilty of abuses, took care that at least a show of punishment was made.<sup>2</sup> The French trade was on the other hand cursed by a false economic system, saddled upon it by a paternalistic government, which established monopolies for the export of beaver skins from Canada and compelled those who "enjoyed" this exclusive privilege to take all the skins offered them at a certain fixed sum, in utter defiance of the laws of supply and demand.<sup>3</sup>

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<sup>1</sup>McIlwain, Wraxall's Abridgment, p. XL; Carter, Great Britain and the Illinois Country, 85,86; Alvord, The Mississippi Valley in British Politics. (In press.) This work embodies by far the most comprehensive treatment of Indian affairs and trade in British North America during the period from 1763 to 1774 that has yet been made, and it is to this study that the writer is indebted for a large amount of the material of the present chapter. See also Johnson's Report, 1767, New York Colonial Documents, VII., 954.

<sup>2</sup>Carter, Great Britain and the Illinois Country, 78, 85, 86; Alvord, The Mississippi Valley in British Politics. The colonies appear to have failed in the management of Indian affairs because of their mutual rivalry and jealousy.

<sup>3</sup>See next page.





The English, however, enjoyed one very marked advantage over their rivals. With the exception of powder, their goods were much cheaper than those imported by the French and this fact accounts for the very considerable trade which English merchants came to enjoy and likewise explains how it was that in spite of so many handicaps, they were even able to threaten the supremacy of their rivals in the Great Lakes' region. The chief menace to French commerce was the trade carried on by way of Albany and the Mohawk. The colony of New York, however, sent very few traders into the interior, but dealt with the western tribes through the Iroquois, who controlled the route from the Hudson River to the lakes and played the rôle of middlemen between the English and the more remote Indians. The cheapness of English goods enabled the Iroquois to carry on a trade in this way which was advantageous to all parties concerned, with the exception of the French.<sup>1</sup> In 1722, the colony of New York established a post at Oswego, which controlled the Mohawk communication with the Upper Country, and constituted

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<sup>3</sup>Parkman, in the Old Régime in Canada, II, 105-109, gives a vivid description of this French system of monopolies. This plan, whereby the holder of the monopoly was obliged to receive all beaver offered at a certain price, led to the enormous extension of the fur industry, inasmuch as the traders were assured of a market for all the skins which they were able to secure from the Indians. At times the market was so glutted with this variety of peltry that there was no sale for it in France, and the directors of the company holding the monopoly for its exportation resorted to the expedient of burning a large part of the supply which they received.

<sup>1</sup>McIlwain, Wraxall's Abridgment, pp. XLI-XLV.



a continual menace and defiance to the French traders.<sup>1</sup> So great an advantage, in fact, did the cheaper English goods possess, that the French themselves succeeded in opening up a commercial intercourse with New York which all efforts failed wholly to suppress. Their merchants were able to buy English goods, carry them to Canada, and exchange them for furs, reaping a larger profit than if they had used merchandise of their own manufacture, while the unscrupulous Albany traders continued to supply them, in spite of the protests of the Iroquois and the efforts of the colonial government.<sup>2</sup>

While the merchants of New York were challenging French commercial supremacy at Oswego, traders from Pennsylvania were penetrating the region between the Ohio and the lakes. As years went on, these intruders grew in number and became a menace to French authority. In 1741, De Noyan wrote from Detroit, complaining of the growing influence of the English over the Indians and declaring his intention of pillaging their traders.<sup>3</sup> It is in this commercial rivalry that the beginnings of the Seven Years' War are to be found and the

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<sup>1</sup>Governor Burnet was responsible for the establishment of Oswego, for the purpose of carrying on the Indian trade. The fact that the Iroquois monopolized the trade between the English and the western tribes explains why New York built no forts west of Oswego. McIlwain, Wraxall's Abridgment, pp. XLIV., LII., LXXXI.

<sup>2</sup>Johnson's Report, 1767, New York Colonial Documents, VII., 954; McIlwain, Wraxall's Abridgment, pp. LXIV-LXXXI.

<sup>3</sup>McIlwain, Wraxall's Abridgment, p. XVI.





feeling of bitterness was greatly intensified by the establishment in 1748 of an English trading post at Pickawillany, on the Big Miami.<sup>1</sup> In 1752 a force of French and Indians reduced the post and there is doubtless a considerable element of truth in the statement that this event really marks the opening of the final struggle for the mastery of the continent.<sup>2</sup>

It was not in the Indian country but rather in the heart of Canada that the French cause was lost. The reduction of Quebec and the capitulation of Montreal delivered the province into the hands of the English, together with the fur trade for which both sides had been contending for so many years. It was indeed a rich prize which had fallen to the victors, as the nature of the French commercial establishment in the Upper Country at the time of the Conquest bears ample witness. The posts occupied by the French covered an enormous range of territory and, besides those in the neighborhood of the Great Lakes, their establishments extended down into the Illinois country and hundreds of leagues into the region beyond Lake Superior. The commerce of these various places had been exploited in different ways. There were first of all the free posts, of which the principal ones were Michillimackinac and Detroit, where anyone might carry on a trade by obtaining a

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<sup>1</sup>The post at Pickawillany was established by traders from Virginia and Pennsylvania, who were during this period pressing beyond the Alleghanies in considerable numbers. Winsor, The Mississippi Basin, 249.

<sup>2</sup>McIlwain, Waxall's Abridgment, p. XVII.; Chalmers, Revolt of the American Colonies, II., 263.



license for the purpose. At certain others, as Niagara, Presqu' Isle, and Toronto, the King had an exclusive right to the trade; and finally, there were posts which were farmed out to individuals for a fixed sum, among which were Ouiatanon, Chequamegon, La Baye, and<sup>1</sup> St. Joseph's.<sup>2</sup> With regard to the importance of the trade, it was estimated that its average annual value for the years preceding the Conquest was no less than £140,000.<sup>3</sup>

The capitulation of Montreal on September 8, 1760, completed the military conquest of Canada.<sup>4</sup> Immediately after the overthrow of French dominion in North America, there was a great rush of British traders to the Indian country, which rendered it necessary that measures be taken to determine the future status of the commerce of the Upper Country. General Gage disapproved of the French practice of exploiting the posts by the granting of monopolies, and upon the occupation of Montreal, the whole system of special privileges built up by the French was done away with. He believed that a better method of deriving a revenue from the fur trade would be to levy a duty upon the importation of peltry into England.<sup>5</sup> The  
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<sup>1</sup>Throughout the present study, the name "La Baye" is used to designate the trading post situated upon the body of water now called Green Bay.

<sup>2</sup>Gage's letter to Amherst, dated March 20, 1762, contains an interesting account of the state of the Indian trade at the time of the reduction of Canada. Michigan Pioneer and Historical Collections, XIX., 14. To this letter is appended a list of the posts at which the French were accustomed to trade with the Indians. Ibid., 21. See also Bougainville's Memoir, compiled in 1757. Wisconsin Historical Collections, XVIII., 167.





political change, together with the inrush of British traders, which followed the conquest of Canada naturally resulted in considerable confusion and as the commercial control formerly exercised by the French at once disappeared, it was imperative that measures should be taken to establish peace and order in the Indian country. An effort was made to restrict the activities of the traders to certain posts and to limit the sale of rum, while Sir William Johnson, during his visit to Detroit in the summer of 1761, established a scale of prices at which furs and Indian goods were to be bought and sold, the purpose of which was to ensure fair dealing and prevent disorder.<sup>1</sup>

The hopes and expectations of the British merchants were momentarily cut short by the terrible Indian outbreak known in history as Pontiac's Conspiracy. Numerous causes contributed to the revolt, chief among which was a fear on the part of the Indians that the English settlers were about to occupy their lands, a belief which it is very probable the

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<sup>3</sup>Estimate contained in General Murray's Report on the State of the Government of Quebec, June 5, 1762. Shortt and Doughty, Constitutional Documents, 57.

<sup>4</sup>Winsor, The Mississippi Basin, 405.

<sup>5</sup>Gage to Amherst, March 20, 1762, Michigan Pioneer and Historical Collections, XIX., 17. Gage recommended that the smaller posts be abolished and that the trade be confined to Kaministiquia, Michillimackinac, La Baye, Detroit, and Ouatatanon. For several years after the Conquest, however, the military commanders at the posts were accustomed to grant exclusive rights to the trade in certain quarters, but this practice was doubtless a makeshift for retaining some degree of control over commerce. No legal monopolies were granted, in the form of leases, as under the French regime. Henry, Travels, Bain ed. 183.

<sup>1</sup>Johnson's Report, 1767. New York Colonial Documents, VII., 960.



French did all in their power to disseminate among the savages. The policy of the British government in not giving presents to the Indians so generously as the French had done likewise caused widespread dissatisfaction. In addition to these reasons, the conduct of the British traders was likewise a contributing cause to the outbreak. They had never been as diplomatic in their dealings with the Indians as the French had been. They made the savages drunk and then proceeded to rob them, while one of the specific reasons given by the Indians for the outbreak was the exorbitant prices charged by British traders for their goods, especially powder. When it is remembered that in addition to these grievances, the woods were filled with French traders who bitterly hated the English and did everything in their power to instill their own fear and dislike into the minds of the Indians, it is not surprising that the tribes in the Great Lakes' region broke out into revolt.<sup>1</sup>

The immediate effect of the war upon the commerce of the Upper Country was disastrous. The traders at Michillimackinac and other smaller posts in the interior were plundered and murdered, while a similar fate befell large numbers who were on the communications.<sup>2</sup> The royal proclamation of October

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<sup>1</sup>Johnson to Amherst, July 11, 1763, New York Colonial Documents, VII., 532; Johnson's Report, 1767, ibid., 962, 963; Parkman, Conspiracy of Pontiac, 179-186.

<sup>2</sup>Johnson's Report, 1767, New York Colonial Documents, VII., 962, 963; Parkman, Conspiracy of Pontiac, passim. For a vivid account of the Indian uprising at Michillimackinac, see Henry's Travels, Bain ed. 77-104.





7, 1763, was designed to allay the fears of the Indians by prohibiting settlers from encroaching on their great western domain but its promulgation was too late to prevent hostilities. Among other provisions, the Proclamation contained the first announcement of the general policy to be followed by the British government with respect to the fur trade. It was stipulated that commerce with the Indians should be free and open to all of his Majesty's subjects who should take out licenses from the governors or commanders in chief of the provinces wherein they resided and give security for the observance of such rules as might be laid down for the regulation of the trade.<sup>1</sup>

Pontiac's Conspiracy was suppressed in 1764, but meanwhile the British ministry had come to realize the necessity of adopting effective measures for the regulation of Indian affairs and trade. The Proclamation of 1763, it will be noted, did not prescribe any rules for the regulation of the fur trade but simply announced the general policy which it was intended to follow in the future, while the ministry had as yet done nothing to interfere with the laws enacted by the colonies during the preceding years. At the time of the conquest of Canada, licenses for the Indian trade were issued by the governors of the various provinces, notwithstanding the fact that in 1756, two departments for the supervision of Indian affairs had been created, a northern and a southern, the

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<sup>1</sup>Shortt and Doughty, Constitutional Documents, 119.



former of which was in charge of William Johnson as superintendent.<sup>1</sup>

The whole question of the regulation of Indian affairs and the control of the fur trade came up for discussion in 1764; and in the summer of that year, the Lords of Trade formulated a "Plan for the Future Management of Indian Affairs."<sup>2</sup> This plan provided for the imperialization of the control of Indian affairs by the establishment of two departments, each composed of certain designated tribes. A superintendent was placed over each department, under whom deputies were to be appointed to assist in the administration of business. All existing colonial laws respecting trade and intercourse with the savages were to be repealed, and it was provided that in the northern district, commerce should be confined to the posts, where it could be carried on under the inspection of the department. Certain tariffs for the trade were to be established by officers known as commissaries acting in concert with the Indians and merchants at the various posts and truck houses. Traders were to obtain licenses from colonial authorities and give security for the observance of the rules laid down for the regulation of commerce. Moreover, no one was to acquire lands save within limits determined by negotiations with the Indians. The plan was never carried into effect by.

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<sup>1</sup>Alvord, The Mississippi Valley in British Politics.

<sup>2</sup>For the text of the plan, see Illinois Historical Collections, X., 273.





act of parliament. The proposed administration would have necessitated a large annual expenditure, which it was designed to meet by levying a tax upon the fur trade, but the ministry did not feel in a position to enact such a measure at the time when the plan was formulated. Though the project was never legally put into operation, the superintendents were instructed to carry it out so far as possible in the administration of their respective departments. John Stuart, of the southern department, at once took steps to put its provisions into operation, but Johnson did not do so until 1766, when news came from the Illinois country that foreigners were monopolizing the fur trade of the region.<sup>1</sup>

While the British ministry had been considering the closely allied subjects of Indian affairs and the regulation of the fur trade, effective measures had been taken on the other side of the water to crush the revolt led by Pontiac. During the trouble, the commerce of the Upper Country had practically ceased, but after the uprising had been suppressed in 1764, there was a second rush of merchants into the Great Lakes' region.<sup>2</sup> Many Europeans, including large numbers of Scotch and

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<sup>1</sup>Alvord, The Mississippi Valley in British Politics; Carter, Great Britain and the Illinois Country, 81; Alvord and Carter, The Critical Period (Illinois Historical Collections, X.), 273, note 2.

<sup>2</sup>Many of the Indians who had formerly depended upon French traders for their supplies had been reduced almost to destitution by the disturbances which had been going on for the past decade. Alexander Henry, writing of a voyage to Chequamegon in 1765 says, "These people were almost naked, their trade having been interrupted, first by the English invasion of Canada, and next by Pontiac's war." Travels, Bain ed., 188.



Irish, came to Canada, lured thither by visions of the large profits which they believed were to be obtained in the fur industry. As the newcomers were ignorant of the methods employed in dealing with the Indians, they were obliged to make use of French and English traders who acted as their agents, and many of whom, according to Sir William Johnson, were of disreputable character.<sup>1</sup> These British merchants, however, were men of great enterprise and ability and they began gradually to crowd out the French traders who had been their predecessors in the field.<sup>2</sup>

The British government had expected to derive great benefits from the trade in the Illinois country, but it was doomed to disappointment. The Conspiracy of Pontiac delayed the occupation of Fort de Chartres by British troops until 1765,<sup>3</sup> and meanwhile French traders continued to carry on the commerce of the region and incidentally to strengthen themselves in the friendship of the Indians. In 1764, Pierre Laclède established a post in Spanish territory which he called St. Louis, which was to serve as a base for future trading operations.<sup>4</sup> Immediately after the occupation of the region had been accomplished,

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<sup>1</sup>Johnson's Report, 1767, New York Colonial Documents, VII., 961.

<sup>2</sup>Isaac Todd, Forrest Oakes, Richard Dobie, James Finlay, and Benjamin Frobisher, who played an important part in the Canadian fur trade, were all in the field by 1766. Memorial of Merchants of Montreal, March 30, 1766, Canadian Archives, Indian Affairs, series S; Merchants to Carleton, September 20, 1766; Canadian Archives, series Q, vol. 4, p. 200.

<sup>3</sup>Carter, Great Britain and the Illinois Country, 82; Alvord and Carter, The Critical Period (I. H. Col. X.), pp. XXIX-LVII.

<sup>4</sup>Carter, Great Britain and the Illinois Country, 84-87.





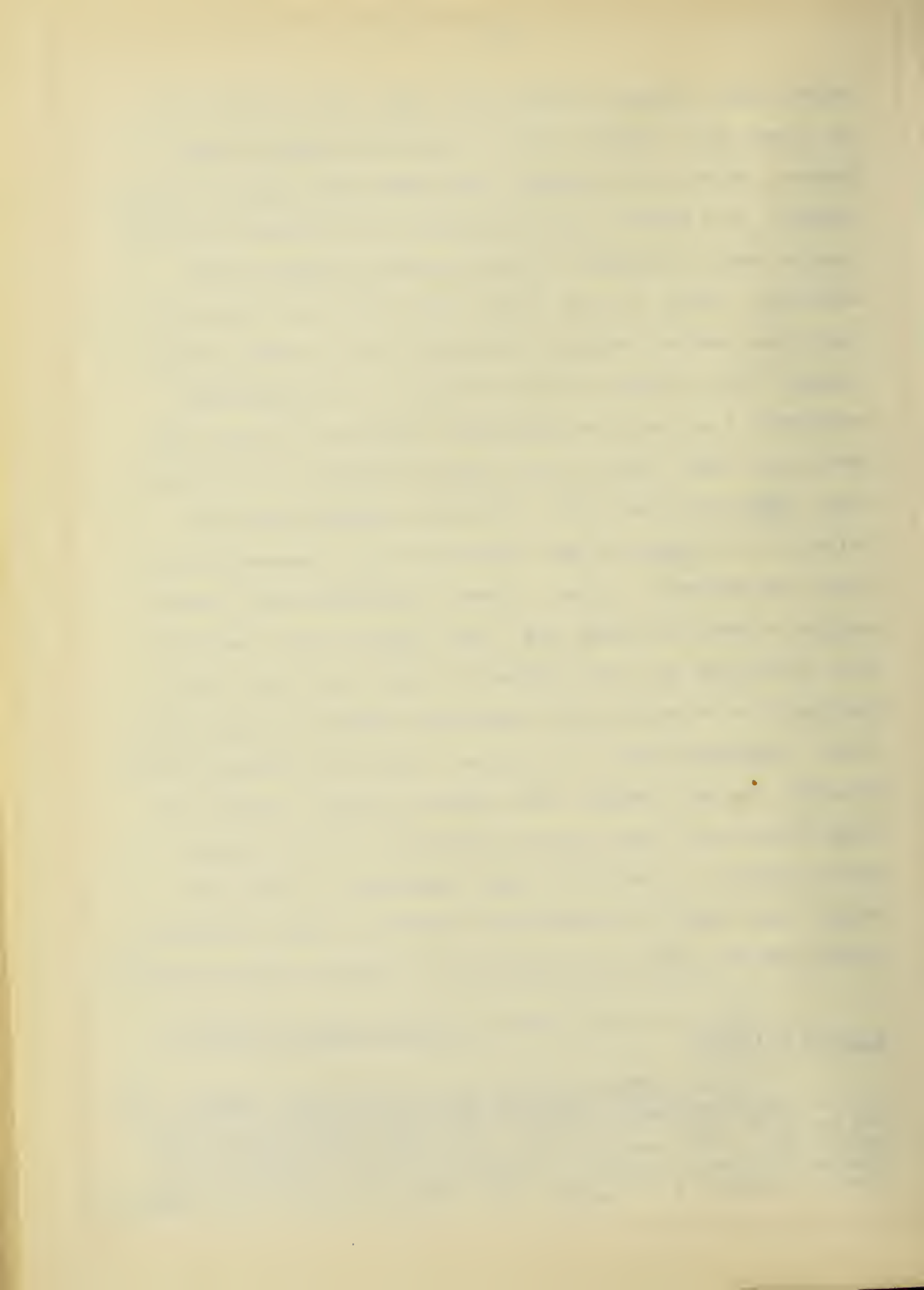
Pennsylvania merchants entered the field, two of the principal firms which extended their operations westward being Baynton, Wharton, and Morgan; and Franks and Company of Philadelphia. The former concern went into the business on an extensive scale, claiming to have invested £30,000 in the enterprise, while in 1767 it was said that there were more than three hundred boatmen on the Ohio in the employ of the company.<sup>1</sup> But in spite of the efforts of the Pennsylvania merchants, the French and Spaniards continued to send their canoes and boats into all the eastern branches of the Mississippi, where they met with a friendly reception from the tribes of the Northwest who were by no means reconciled with their new masters. In fact, these trans-Mississippi traders enjoyed a great advantage over their rivals since the latter were prohibited by royal command and their own fear of the Indians from extending their operations beyond the garrisoned posts. Operating from St. Louis as a base, the French traders ascended the Ohio, Wabash, and Illinois rivers, crossed the upper Mississippi into British territory, and even pushed their commerce to the Great Lakes themselves, so that the peltry from which the British had expected to reap a handsome profit was sent down the Mississippi to market at New Orleans.<sup>2</sup>

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<sup>1</sup>Ibid., 82, 83; Alvord, The Mississippi Valley in British Politics.

<sup>2</sup>Carter, Great Britain and the Illinois Country, 86-89; Alvord, The Mississippi Valley in British Politics; Johnson to the Lords of Trade, November 16, 1765, New York Colonial Documents, VII., 775; same to same, March 22, 1766, ibid., 816; Journal of George Croghan's Transactions With the Western Indians, November, 1765, ibid., 788; Johnson's Report, 1767, ibid., 965.



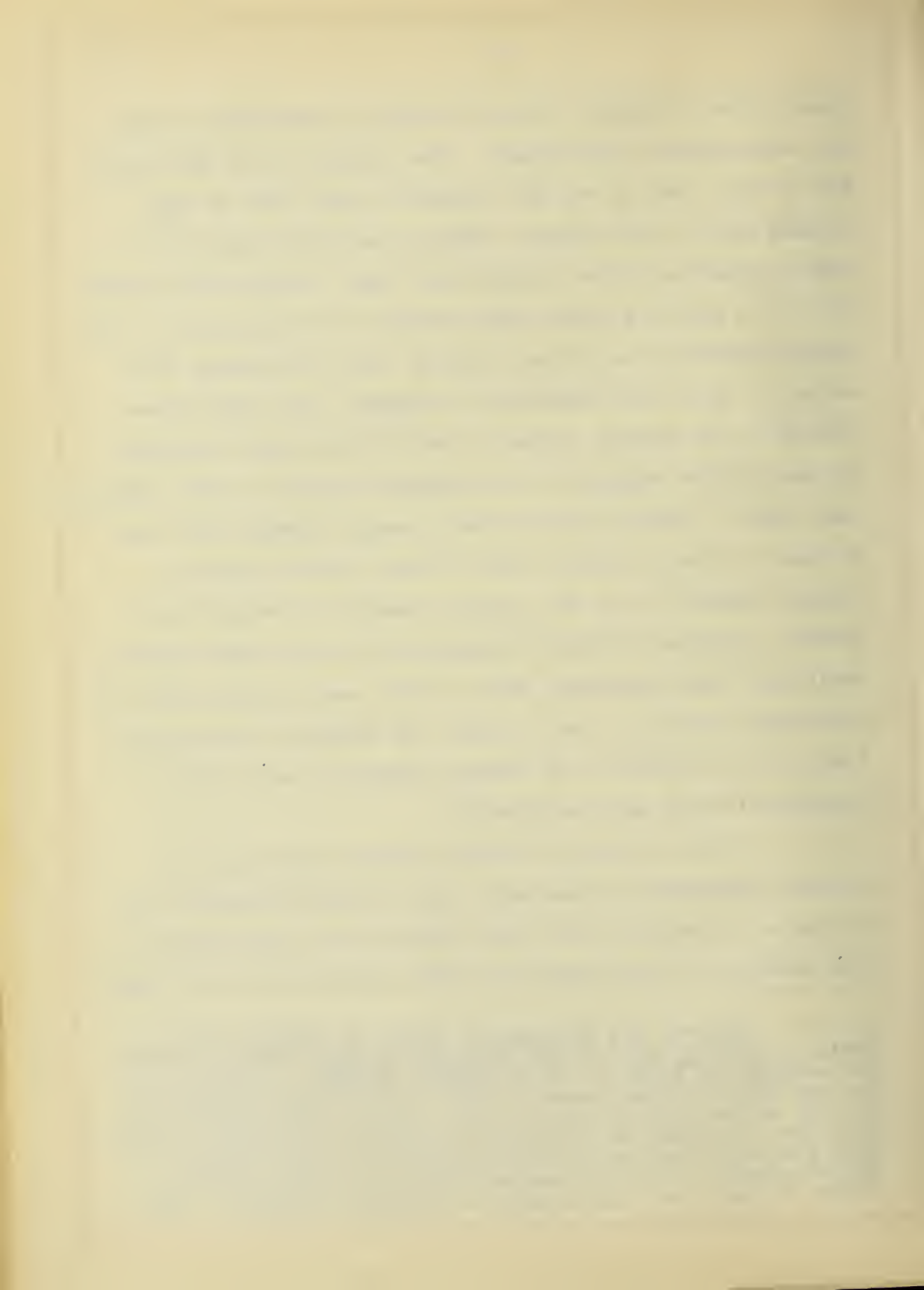


Great Britain likewise failed to profit by the trade in which her own merchants were engaged. The current of the Ohio River was so rapid that it was much cheaper to ship furs to New Orleans than to the Atlantic seaboard, and this became the regular practice of the Philadelphia firms. While they floated their furs down the river under pretense of sending them to the English market by way of New Orleans, very few cargoes, as a matter of fact, found their way to England. The high prices offered in the Spanish market at New Orleans proved irresistible and British merchants took occasion to profit by the contraband trade. Various proposals were brought forward from time to time in order to prevent this illicit traffic and keep foreign traders out of the Illinois country but without much success. British officials themselves, in view of the economic conditions which prevailed, seem to have been convinced that it was almost hopeless to try to alter the situation and furs continued to be disposed of at foreign markets by way of the Mississippi River and New Orleans.<sup>1</sup>

It was not until 1766 that Johnson organized the northern department in accordance with the plan formulated by the Lords of Trade in 1764, when news came from the Illinois that commerce in that region was being monopolized by the French.

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<sup>1</sup>Alvord, The Mississippi Valley in British Politics; Carter, Great Britain and the Illinois Country, 90-100. In 1771 for example the Lords of the Treasury endeavored to trace the British ship "Florida Packet," which cleared from the Illinois in July of the preceding year with a cargo of 1000 packs of peltry. The investigation led to the conclusion that the cargo had been disposed of at some of the French West India Islands. Hillsborough to Lords of Treasury, January 18, 1771, P. R. O. Treas, I., 482, fo. 109; Stanley to Robinson, March 14, 1771,



Places of trade were established at Niagara, Detroit, Oswego, Michillimackinac, and Fort de Chartres, at each of which commerce was placed under the supervision of commissaries. Minute regulations were drawn up, the purpose of which was to control the actions of the traders in their dealings with the Indians and correct the abuses concerning which complaint had so often been made.<sup>1</sup> The commissaries were given strict orders to allow no trader to open his packs and sell goods to the Indians save at one of the designated posts, a measure which aroused opposition on the part of the Canadian merchants. The traders of New York and Pennsylvania did not particularly object to the last mentioned regulation, as it served to offset to a certain degree the advantages possessed by their rivals; but they did not favor the idea of regulating prices by means of commissaries, which was one of the provisions embodied in the plan of the Lords of Trade.<sup>2</sup> It was the restriction of commerce to the posts, however, which caused the most trouble and dispute. It appears that an ordinance was enacted in the province of Quebec, whereby the trade was limited to certain posts, for as early as February of 1765, the merchants of Montreal addressed a memorial to Governor Murray, in which they complained of the regulation.<sup>3</sup> This restriction was a

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ibid., 486; fos. 55,56; same to same, May 31, 1771 ibid., 486, fo. 69; Treasury Minutes, July 23, 1771, P. R. O., Treas. 29, vol. 41, pp. 244-246; August 14, 1771, ibid., 255, 256.

<sup>1</sup> Alvord, The Mississippi Valley in British Politics; Johnson's Instructions, Johnson MSS., XV., 237.

<sup>2</sup> Alvord, The Mississippi Valley in British Politics.

<sup>3</sup> See next page.





very marked departure from the custom which had been followed during the French regime, and it was not unnatural that the Canadian merchants should raise vigorous objections.<sup>1</sup> They complained that such a restraint rendered it impossible to give credit to the Indians and therefore greatly hampered the trade of the merchants at the posts. Such a system was moreover apt to cause dissatisfaction on the part of the distant tribes which were obliged to make long journeys to the trade centers with their peltry. Some of them, it was complained, lived so far away that if the regulation were rigidly enforced, they would be obliged to lose every other year's hunt by reason of the time required to reach the posts. But one of the strongest objections put forward, especially by the merchants of Detroit, was to the effect that the restriction of commerce to the posts was operating to deliver the trade of the region south of the Great Lakes into the hands of their French and Spanish rivals from beyond the Mississippi. This argument was used over and over again by those who were in favor of allowing the traders to go out into the Indian country and it is very likely that it was not without foundation.<sup>2</sup>

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<sup>3</sup>Petition of Merchants of Montreal, February 20, 1765. Canadian Archives, series S, Indian Affairs. It seems probable that the governor and council imposed this restriction in accordance with the recommendations contained in the plan of the Lords of Trade.

<sup>1</sup>Alvord, The Mississippi Valley in British Politics; Johnson to Lords of Trade, October 8, 1766, New York Colonial Documents, VII., 871.

<sup>2</sup>Memorial of Merchants of Montreal, March 30, 1766, Canadian Archives, series S, Indian Affairs. Merchants of





Sir William Johnson bitterly opposed the representations of the merchants who desired to be allowed to go into the interior. He was above all suspicious of the influence of French traders over the Indians and as many of them were employed by British merchants as factors or agents, he declared that considerations of safety rendered it necessary that they be confined to the posts in order to prevent their political intrigues. Another reason for restricting the trade to certain places was to prevent the abuses of which the merchants were guilty when their conduct was not subject to rigid inspection. If left to themselves in the Indian country, far from the watchful eyes of the commissaries, they were only too apt to cheat the savages and thus become a source of endless trouble and confusion. The eagerness of the Canadian merchants for an unrestrained commerce he ascribed, possibly with some justice, to jealousy of their rivals from New York and Pennsylvania.<sup>1</sup>

Governor Carleton, on the other hand, was inclined to

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Montreal to Carleton, September 20, 1766, Canadian Archives, series Q, vol. 9, p. 200; Memorial of Detroit Traders to Hay, September 4, 1767, Johnson MSS., XV., 57; Memorial of Detroit Traders to Johnson, November 26, 1767, ibid., 157.

<sup>1</sup>Johnson to Lords of Trade, October 8, 1766, New York Colonial Documents, VII., 871; same to same, January 15, 1767, ibid., 894; Johnson to Carleton, January 27, 1767, Canadian Archives, series Q, vol. 4, p. 115; Johnson to Shelburne, May 30, 1767, New York Colonial Documents, VII., 929; same to same, October, 1767, ibid., 986; Johnson to Lords of Trade, October 20, 1767, ibid., 987; Johnson to Shelburne, December, 1767, ibid., 998,999; Johnson's Report, 1767, ibid., 964.



to support the Canadian merchants in their opposition to Johnson's policy. To the complaints of the latter with regard to the French traders, he replied that while it might be well to watch them rather closely, he had nevertheless seen no particular evidences of disloyalty on their part and he believed that with good treatment they might be relied upon. He did not favor the plan of restricting the trade to the posts, pointing out that under the French régime, traders had gone hundreds of leagues into the wilderness beyond Michillimackinac. In short, Carleton looked at the whole question from the viewpoint of the Canadian merchants.<sup>1</sup> It would seem, on the whole, that there was some ground for complaint against the practice of restricting the trade to the posts, especially in the case of those who dealt with the tribes living to the northwest of Lake Superior, and Shelburne, convinced by the representatives of Carleton, gave Johnson instructions that traders should be allowed free access to the hunting grounds of the Indians living north of the Ottawa River and the Great Lakes.<sup>2</sup> Even Johnson himself finally admitted that there might be some reason for giving more latitude to the northern traders, though he still believed that the more southern branches of commerce should be confined to the posts.<sup>3</sup> He was led to modify his earlier position somewhat under the extreme opposition which

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<sup>1</sup>Carleton to Johnson, March 27, 1767, Michigan Pioneer Collections, X., 222-224; Carleton to Shelburne, March 28, 1767, ibid., p. 111; Carleton to Lords of Trade, March 28, 1767, ibid., p. 198.

<sup>2</sup>Shelburne to Johnson, June 20, 1767, Lansdowne MSS.  
For note 3 see next page.





he encountered, however. He had at first advised that the trade be confined to Oswego, Niagara, Fort Pitt, and Detroit, but came later to see that if his plan were to be at all practicable, the posts to which the merchants should be allowed to resort must be more numerous.<sup>1</sup> In his report to the Lords of Trade in 1767, he recommended that in addition to Detroit, Michillimackinac, Niagara, Oswego, and Fort de Chartres, where the trade was then centered, posts should be established at La Baye, St. Mary's, at the entrance to Lake Superior, Sandusky, St. Joseph's, Ouiatanon, and also on the Miami.<sup>2</sup> These places had all been trading centers under the French régime and Johnson expressed the conviction that if they were reestablished, the merchants would have no further ground for complaint at not being allowed to roam at will in the Indian country.<sup>3</sup> The restrictions which it was attempted to impose

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<sup>3</sup>Johnson to Shelburne, New York Colonial Documents, VII., 998.

<sup>1</sup>Johnson's rather extreme position in this respect was probably due to his long connection with the conduct of Indian affairs in the colony of New York, whose traders had not been in the habit of penetrating the interior prior to 1763, but had dealt with the Indians at Oswego. In suggesting the restriction of the trade to the posts above mentioned, Johnson pointed out that in earlier days, the Sioux, as well as the Christianaux, from the neighborhood of Hudson's Bay, had often come to Oswego. He further argued that while the Indians themselves thought nothing of long journeys, they did not make sufficient allowance for the expense of transporting goods to Michillimackinac and the other posts. Johnson to Amherst, August 25, 1763, New York Colonial Documents, VII., 543.

<sup>2</sup>During the period under consideration, the river emptying into the head of Lake Erie, and now known as the Maumee, was called the "Miami," and it is by the latter term that the stream will henceforth be designated in these pages.

<sup>3</sup>In his remarks on the plan of the Lords of Trade in





upon the merchants do not, indeed, seem to have been very effective, for Johnson's letters are filled with complaints against those who make a practice of violating all trade regulations by going into the interior without permission.<sup>1</sup> The merchants likewise complained at the enormous quantities of rum which were sent into the Indian country from the colonies, principally from New York it appears. They declared that in consequence of the provisions of the Proclamation of 1763 whereby the trade was laid open to all, many persons of disreputable character and little property had embarked in the fur traffic, who dealt in nothing but rum. The result was that commerce was being greatly injured and they proposed measures whereby the sale of liquor might be restricted, but no effective measures appear to have been taken as a result of their representations.<sup>2</sup>

Sir William Johnson's hopes for the establishment of an imperial system for the regulation of Indian affairs, which should be under the control of the superintendents of the  
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1764, Johnson had recommended that the trade be confined to eleven posts, which he designated. By 1767, the only ones which had been established were Detroit, Michillimackinac, Niagara, Oswego, and Fort de Chartres. Alvord and Carter, The Critical Period (I. H. Col. X.), 328; Johnson's Report, 1767, New York Colonial Documents, VII., 973, 974; Johnson to Lords of Trade, January 15, 1767, ibid., 895; Johnson to Carleton, January 27, 1767, Canadian Archives, series Q, vol. 4, p. 115.

<sup>1</sup>Johnson to Shelburne, April 1, 1767, New York Colonial Documents, VII., 915; same to same, May 30, 1767, ibid., 929.

<sup>2</sup>Merchants and Citizens of Quebec to Carleton. [1767], Canadian Archives, series S, Indian Affairs. Traders of Detroit to Johnson, November 26, 1767, Johnson MSS., XV., 157.



northern and southern departments, were doomed to disappointment. The Lords of Trade finally came to the conclusion that the plan of 1764 was impracticable because of the expense involved, and the result was that in 1768 the regulation of trade was turned over to the colonies, as had originally been the custom. The general organization of the Indian department was retained, including the superintendents of the northern and southern departments, but the commissaries were recalled and all matters of trade supervision were turned over to the colonial governments.<sup>1</sup> The year 1768 also marked the establishment of an Indian boundary at the Treaty of Fort Stanwix, by which settlers were excluded from the western country. Frontiersmen were forbidden to cross the boundary and thus a vast area was reserved to the savages, which could be entered only by traders and Indian officers.<sup>2</sup>

All efforts on the part of the colonies to devise effective means for the regulation of the fur trade were in vain.<sup>3</sup> A plan whereby commissioners were to be appointed by each of the colonies principally interested in the trade, to meet together and devise some means of regulation, had to be abandoned, owing to the opposition of the King, who evidently feared that the occasion would be seized upon to transact business detrimental to imperial interests.<sup>4</sup> It was apparent from

<sup>1</sup> Alvord, The Mississippi Valley in British Politics.

<sup>2</sup> Winsor, The Westward Movement, 16.

<sup>3</sup> Alvord, The Mississippi Valley in British Politics.

<sup>4</sup> Colden to Hillsborough, July 7, 1770, New York





the very first that the interests of the colonies concerned were so divergent as to render it next to impossible to enact any general measures for the regulation of the fur trade. Attempts were nevertheless made to come to some agreement and in 1771, the New York assembly drew up a series of regulations which were submitted to the Council of Quebec. These proposed measures among other things provided that a duty should be levied upon all goods used in the trade and likewise suggested that the sale of rum be confined to ~~the~~ Niagara, Detroit, Fort Pitt, and the post of Carrillon, situated upon the Ottawa River. The merchants of Montreal opposed the levying of duties upon merchandise used in the trade as well as the proposed restriction upon the sale of rum. While they were favorable to the total prohibition of the sale of liquor to the Indians, which would be to the best interests of the savages as well as of the traders themselves, they feared that any such half-way measures as those submitted by the New York Assembly would only redound to the commercial advantage of their rivals. The members of the Council were at one with the merchants and this attempt to regulate the Indian trade by an inter-colonial agreement came to nothing.<sup>1</sup> The ministry as well as the provincial governors

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Colonial Documents, VIII., 216; Cramahé to Hillsborough, October 31, 1771, Canadian Archives, series Q, vol. 8, p. 82; Hillsborough to Cramahé, July 19, 1771, Canadian Archives Report, 1890, p. 47; same to same, December 4, 1771, ibid.

<sup>1</sup>Minutes of the Council of Quebec, January 10, 1772, Canadian Archives, series Q, vol. 8, p. 129; Memorial of Sundry Merchants Concerned in the Indian Trade, Upon the Proposals Submitted by New York, October 31, 1771, ibid., 135; Hillsborough to Cramahé, July 1, 1772, ibid., 139. There had been evidences



repeatedly endeavored to secure the enactment of colonial laws for the regulation of the trade but the divergency of interests was too great and all attempts were in vain. By 1777, Lord Dartmouth had come to the conclusion that parliamentary action would be necessary in order to remedy the situation.<sup>1</sup>

The failure of the colonies to enact suitable measures for the supervision of the fur trade caused a good deal of confusion and even occasioned considerable dissatisfaction among the Indians themselves. Enormous quantities of rum were sent into the Upper Country,<sup>2</sup> especially from New York; and so great were the profits derived from its sale that many traders dealt in nothing else, and the result was that the savages were greatly demoralized. Many of the traders who dealt in liquor were themselves men of exceedingly disreputable character, being guilty of many abuses in their dealings with the Indians; and

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of jealousy between Quebec and New York for some years past. In 1766, the merchants of Montreal had declared their belief that the colony of New York desired the trade to be restricted to the posts because of the superior advantages enjoyed by their Canadian rivals. Memorial to Carleton, September 20, 1766, Canadian Archives, series Q, vol. 4, p. 200. Johnson, on the other hand, believed that the traders of Quebec were apprehensive because under the British regime, those of New York possessed advantages equal to their own. Johnson to Shelburne, December 3, 1767, New York Colonial Documents, VII., 999.

<sup>1</sup>Circular Letter of Hillsborough, November 15, 1770, New York Colonial Documents, VIII., 254; Dunmore to Hillsborough, January 18, 1771, ibid., 261; March 9, 1771, ibid., 265; Hillsborough to Johnson, December 4, 1771, ibid., 287; Dartmouth to Johnson, February 3, 1773, ibid., 348.

<sup>2</sup>The inhabitants of Quebec and Montreal usually referred to the Great Lakes' region as the "Upper Country."





more than once did the tribes in council with Sir William Johnson complain of the failure of the colonial governments to regulate the trade and protest against the lawless acts of those who roamed in their midst and brought the rum which debauched their young men. Johnson, while he sympathized entirely with their point of view, was nevertheless obliged to defend the acts of the government which he represented as best he might. The results which he had foreseen when the British ministry changed its policy with regard to the regulation of trade had actually come to pass.<sup>1</sup> He died in the summer of 1774; and his last days must have been filled with bitter disappointment when he reflected that all his efforts to bring about the establishment of a well-ordered system for the management of Indian affairs had failed and that instead, confusion and discontent reigned among the tribes whose welfare he had so much at heart.

Conditions in the Indian country were growing intolerable. Crime and disorder became increasingly prevalent and it was almost hopeless to expect that conditions should be improved so long as there was no civil establishment by which the affairs of the traders at the western posts might be regulated. One reason for the passage of the Quebec Act was a desire on the part of the British ministry to remedy this situation and to provide for the establishment of some sort of legal

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<sup>1</sup>Johnson to Hillsborough, August 14, 1770, New York Colonial Documents, VIII., 225; Johnson to Dartmouth, November 4, 1772, ibid., 315; Proceedings of Sir William Johnson with the Six Nations, April, 1773, ibid., 364, 366; July, 1774, ibid., 475, 477; Cramahé to Claus, August 6, 1772, Claus Papers, I., 145.





authority in the fur country. It has been recently pointed out that the Quebec Act was not a measure enacted for the punishment of recalcitrant provinces, but "was the product of the period of imperialistic thought and of kindly feeling toward the colonies." The measure stood for an attempt on the part of the ministry to extend the imperial power over a part of the Mississippi Valley in order to do away with the chaos which prevailed.<sup>1</sup>

The Quebec Act is in fact of great importance from the viewpoint of the fur trade, its most important provision in this respect being the one which provided for the extension of the boundaries of Canada so as to include the vast area lying between the Ohio River and the Mississippi. The merchants of Quebec who were engaged in the fur trade were naturally exceedingly anxious for the enlargement of the boundaries of the province. Not only did they desire the establishment of a government which should render secure the lives and property of the traders in the Great Lakes' region but they were likewise anxious that measures should be taken to stop the encroachments of white settlers upon the Indians' hunting grounds. It was for this reason that the London merchants interested in the fur trade uniformly favored the extension of the boundaries of the province, and that the ministry likewise had in mind the prevention of western settlements is indicated by a statement of William Knox, a man very familiar with the purposes of that

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<sup>1</sup>Alvord, The Mississippi Valley in British Politics; Coffin, "The Province of Quebec and the Early American Revolution," University of Wisconsin Bulletin, I., 416, 417.



measure, who declared that the territory now comprising the Old Northwest was included within the limits of the province of Quebec "with the avowed purpose of excluding all further settlement therein, and for the establishment of uniform regulations for the Indian trade."<sup>1</sup>

The views of the Canadians themselves are revealed as early as 1769 in the report of a committee of the Council of Quebec appointed for the purpose of taking into consideration the memorials of certain merchants on the subject of their trade. In this report, which was dated April 8, the members of the committee took occasion to express their general views with respect to the fur trade, preliminary to a discussion of the matters referred to in the petitions of the merchants. They pointed out first of all that the places at which the trade was carried on were subject to no civil jurisdiction, having no government of their own and not being annexed to any province which did enjoy a civil establishment. While the superintendent of Indian affairs had possessed power to regulate the trade at the various posts, it was possible for each province to compel its own merchants to observe the rules which were established for the control of commerce with the Indians. But now that this plan was abolished there was no longer under existing conditions any means whereby the trade might be rendered subject to effective control. The committee indicated the difficulty of accomplishing anything by provincial legislation. If one

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<sup>1</sup>Alvord, The Mississippi Valley in British Politics.





colony were to place its commerce under restriction its traders would be at a disadvantage in their competition with merchants from rival provinces, in case the latter did not see fit to enact similar measures. It was perfectly evident from the experience of the past few years that any attempt at concerted action on the part of the colonies engaged in the fur trade was useless. As the only remedy for the situation, the committee believed that the western posts should be annexed to one of the colonies and the natural corollary to this view was the conviction that Quebec ought to be the favored province. Her traders were more numerous than those of any other colony and likewise disposed of more British manufactures in the form of Indian goods than any other, it being pointed out that New York sent little besides rum into the interior. In addition to these considerations, the nature of the water communications leading to the Upper Country made it desirable that the fur-bearing region should be placed under the control of Quebec in preference to any other colony. This statement is especially significant inasmuch as the committee expressed the desire that if its views met with the approval of Governor Carleton, he should communicate them to his Majesty's ministers.<sup>1</sup> When it became known that the ministry was about to enact some measure vitally affecting the province of Quebec, additional efforts were made to bring about an extension of the boundaries

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<sup>1</sup>Report of Committee of Council on the Indian Trade, April 8, 1769, Canadian Archives, series Q, vol. 6, p.84.



of the colony. Two memorials were drawn up in December of 1773, one by the French and the other by the English inhabitants, which were signed by all the leading merchants and among other things it was requested that the bounds of the province might be extended so as to include the territory which had been under the government of Quebec during the French régime.<sup>1</sup>

A spirit of inter-colonial rivalry was undoubtedly of considerable importance in determining the attitude of the traders of Quebec. In October of 1773, Lieutenant Governor Cramahé transmitted to Lord Dartmouth a draft of the existing boundary between New York and Canada and expressed the hope that some alteration might be made before definite action should be taken. The people of Quebec were apprehensive lest the proximity of the colony of New York to the St. Lawrence might lead to some interference with the fur trade which they carried on by means of that communication. They pointed out that the merchants of New York had already obtained a considerable share in the trade and that if the present boundary were confirmed, they would be very likely to obtain full possession of it. Such an outcome would work great injustice to the merchants of Canada, as they could never interfere with New York in the conduct of the West India trade, while the climate of their own province was not such as to attract immigration. Their prosperity depended entirely upon the fur trade.<sup>2</sup> The opponents of the Quebec Bill, on the other hand, pointed out the injustice to the other colonies in annexing the Indian country north of

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<sup>1</sup>Shortt and Doughty, Constitutional Documents, 351, 358.  
<sup>2</sup>See next page.





the Ohio to Canada. Lord Shelburne in the course of the parliamentary debate protested vigorously against a measure which he declared would place the entire fur trade "from Hudson's Bay to the forks of the Mississippi" under the control of the province of Quebec.<sup>1</sup>

The passage of the Quebec Act aroused a storm of opposition, not only in the southern colonies but in Canada as well. The English inhabitants were incensed because it provided for the establishment of French civil law in the province and recognized Catholicism.<sup>2</sup> This obnoxious measure was shortly followed by the passage of the Revenue Act, which among other things provided for a heavy duty upon rum imported from the other British colonies in America.<sup>3</sup> The traders were greatly alarmed since they imported nearly all their rum from New York and there was also some apprehension concerning the duties which might be levied upon other goods. In case the merchants of Canada were obliged to break off commercial relations with New York, their situation would be serious as it was reported that goods were already twenty-five percent higher than they had been prior to the disturbances in America.<sup>4</sup> In brief, the

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<sup>2</sup>Cramahé to Dartmouth, October 1, 1773, Canadian Archives, series Q, vol. 9, p. 91.

<sup>1</sup>Hansard, Parliamentary History, XVIII, 673.

<sup>2</sup>Isaac Todd to Messrs. Rinkin and Edgar, August 26, 1774, Letters and Accounts of the Northwest Co., 3; Coffin, in his "Province of Quebec" carefully considers the attitude of the Canadians with regard to the measure.

<sup>3</sup>Shortt and Doughty, Constitutional Documents, 406.

<sup>4</sup>McTavish to Edgar, December 24, 1774, Letters and





Quebec Act appears to have completely satisfied no one and so great was the discontent of the merchants of Montreal that there was fear in some quarters lest they might be inclined to favor the rebellious colonies to the southward.<sup>1</sup>

One of the principal objects of the ministry in extending the boundaries of Quebec was to provide a government for the Indian country. The thirty-second article of Governor Carleton's instructions, which were dated January 3, 1775, contained some general recommendations concerning the regulation of the Indian trade and the imperial plan which had been drawn up in 1764 was enclosed, to be used by the Legislative Council as a guide in enacting measures for the regulation of the commerce of the interior.<sup>2</sup> The instructions likewise provided for the establishment of inferior courts of criminal and civil jurisdiction in the districts of the Illinois, Vincennes, Detroit, Michillimackinac, and Gaspée, and ordered the appointment of a superintendent or lieutenant governor for each district. These courts, together with the lieutenant governors, were to constitute the civil establishment for the Indian country.<sup>3</sup>

In accordance with his instructions, Governor Carleton appointed lieutenant governors for the various districts but the outbreak of the Revolution prevented the enactment of the  
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Accounts of the North West Co., 15.

<sup>1</sup>Letter of Claus, October 21, 1774, Claus Papers, I, 170.

<sup>2</sup>Shortt and Doughty, Constitutional Documents, 428.

<sup>3</sup>Ibid., 423, 428.



measures necessary for the establishment of the courts provided for in the plan.<sup>1</sup> As Carleton said in a letter to Lieutenant Governor Hamilton, "The Legislative Council is met, but the times will not at present admit of any regulations being made for distant or remote situations while the commotions continue, the power of the sword is chiefly and indeed only to be trusted to."<sup>2</sup> The lieutenant governors at Detroit and Michillimackinac were given commissions as justices of the peace and this seems to have been the extent of the civil establishment at these places during the Revolution and the years immediately following.<sup>3</sup> The supreme authority over the Indian country was to all intents and purposes vested in the governor general, and the lieutenant governors at Detroit and Michillimackinac simply carried out his instructions in the administration of affairs at their respective posts. In the case of Carleton and Haldimand, the governor general was likewise commander in chief of his Majesty's forces within the province; and it seems probable that this centralized and semi-military administration was the best that could have been devised for the control of the Upper Country during the Revolution and the troubled years which followed.<sup>4</sup>

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<sup>1</sup>The superintendents appointed for Vincennes and the Illinois country never actually took charge of affairs in their respective districts.

<sup>2</sup>Carleton to Hamilton, February 2, 1777, Michigan Pioneer Collections, IX, 345.

<sup>3</sup>Instructions to Lieutenant Governor Sinclair, Art. 2, Michigan Pioneer Collections, IX, 517.

<sup>4</sup>These general conclusions concerning the character of





The same causes which prevented the establishment of courts in the Upper Country likewise delayed the formation of any general policy with respect to the regulation of the fur trade. Like the Proclamation 1763, Carleton's instructions provided that the commerce of the interior should be free and open to all who secured licenses for the purpose from the provincial governor. The Legislative Council was to enact commercial regulations designed to give every possible facility to the trade consistent with justice to the Indians. It was recommended that a scale of prices for furs and goods should be established and above all that the sale of liquor to the Indians be restricted.<sup>1</sup> The whole tenor of the instructions made it apparent that the British ministry had gone back to the essential ideas which had been embodied in the imperial plan of 1764. It is true that the idea of colonial regulation had not been abandoned, but at the same time it had been centralized, inasmuch as the greater part of the fur-bearing region occupied by the Indians of the northern department had been annexed to the province of Quebec and consequently the trade of the region would be under the control of the legislature of that province.

On March 29, 1777, the Legislative Council passed an act for the purpose of regulating the Indian trade, but inasmuch as the war rendered impracticable any attempt to formulate a comprehensive system for the supervision of the commerce of the Upper Country, the provisions embodied in the measure fell

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the administration of the Upper Country have been derived from a study of the correspondence in the Haldimand Collection.

<sup>1</sup>Shortt and Doughty, Constitutional Documents, 428.



far short of the recommendations contained in Carleton's instructions. In fact, the ordinance appears to have embodied an attempt to correct only the most obvious of the abuses which had arisen during the past few years. Among other regulations, it contained the following: (1) No liquor was to be sold to the Indians without a license obtained from the proper authorities. (2) No person was to purchase, receive in pledge, or in exchange any clothes, blankets, fire-arms, or ammunition belonging to any Indians within the province. (3) No one was to be allowed to settle in the Indian country of the province without a license.<sup>1</sup> By these measures it was hoped to do away with the evils complained of so often during the years immediately preceding the passage of the Quebec Act, namely, the unrestricted sale of liquor to the savages, the frauds practiced upon them by traders, and the encroachments of white settlers upon their hunting grounds.

The general subject of the regulation of Indian affairs is of some importance in any consideration of the fur trade, an industry whose welfare depended absolutely upon the friendship of the savages with whom it was carried on. The French had established forts at various places in the Upper Country, by means of which they exercised control over the tribes living in their vicinity. Thus certain nations came to be regarded as dependent upon certain posts, whither they resorted to receive presents and hold councils with the representatives of the French king, their father. When the British

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<sup>1</sup>Quebec Ordinances, 1777-1786, p. 27.





gained control of Canada, they naturally adopted the general system which had been followed so successfully by their predecessors. They did not, however, follow the plan of maintaining troops at the smaller outposts. There were garrisons at Oswego, Niagara, Detroit, and Michillimackinac, but the smaller posts or "dependencies" as they were called became simply the resorts of traders and Indians. The principal dependencies of Detroit during the period under consideration were Ouatanon, Sandusky, St. Joseph's, Saginaw, Vincennes, and the post on the Miami. The Wyandot, Ottawa, Chippewa, Miami, and Potawatomi were some of the more important tribes living in the region dependent upon this district.<sup>1</sup> The principal outposts of Michillimackinac were La Baye, Prairie du Chien, St. Mary's, at the entrance to Lake Superior, and Grand Portage, while among the tribes regarded as dependent upon the post were the Sauk, Fox, Winnebago, Ojibway, Menominee, Sioux, and numerous others.<sup>2</sup>

During the period from 1774 to 1796, the Indian department in Canada had no direct control over the trade. The Legislative Council might enact measures for the regulation of commerce, while the Governor of the province might and did very often give orders concerning the conduct of the trade which were carried out by his subordinates, the lieutenant

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<sup>1</sup>The names of the dependencies and Indian tribes given above are taken from a paper entitled "Number of Indians at Detroit & places depending thereon, 1782." Canadian Archives, series S, Indian affairs.

<sup>2</sup>Michigan Pioneer and Historical Collections, IX, X, XI, passim.





governors at Detroit and Michillimackinac.<sup>1</sup> The chief service rendered by the Indian department was the maintenance of friendly relations with the tribes dependent upon the posts. It held councils and acted as the medium for the distribution of presents; its blacksmiths and interpreters were placed at the disposal of the savages, while everything possible was done to preserve friendly relations between the traders and the Indians and to ensure justice in their mutual intercourse.<sup>2</sup> Political relations with the natives were under the supervision of the commandants at the posts, who endeavored to carry out the instructions of their superiors with respect to these matters.<sup>3</sup> In matters having to do with the regulation of commerce, the Governor and Legislative Council were supreme and during the Revolution and the years immediately following, when the times were not auspicious for the enactment of legislative measures affecting the Upper Country, control over the fur trade was exercised almost exclusively by the former.

The period between 1763 and 1774 was one of transition in the history of the fur trade of the region stretching  
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<sup>1</sup>Until 1791, every trader in the province of Quebec who imported goods into the Upper Country was obliged to secure a license from the governor. The lieutenant governors at Detroit and Michillimackinac were authorized to decide who should be allowed to go out into the Indian country from those posts.

<sup>2</sup>Standing Orders for the Posts in the Upper Country, February 6, 1783, Canadian Archives, series B, vol. 115, p. 52; Instructions to Sir John Johnson, February 6, 1783, ibid., 56, 64; April 4, 1787, series S, Indian Affairs.

<sup>3</sup>The Haldimand papers contain numerous reports of councils with the Indians, presided over by the commandant at Detroit.



northwestward from the Ohio. The fall of French dominion in Canada was followed by an influx of British merchants into the field, who began gradually to crowd out their former rivals. The changed political and economic conditions which resulted from this new situation necessitated the establishment of a system for the regulation of trade and Indian affairs, and during these years, the British ministry strove to solve the problem with which it was confronted. The culmination of this period of effort was reached in the passage of the Quebec Act, which provided for a system that was in reality a combination of the ideas embodied in the imperial plan of 1764 and the colonial plan of 1768. What line of development the trade would have followed under ordinary circumstances it is difficult to say, as immediately after the enactment of the measure events took place which utterly changed the aspect of affairs in the British dominions in North America.





## CHAPTER II.

The Revolution and the Fur Trade

Lord Shelburne, denouncing the Quebec Act before parliament in 1774, had declared that one of the immediate effects of the measure would be to deliver the entire peltry trade of the region extending from the Ohio River to the southern limits of the Hudson's Bay Company, into the hands of the Canadians.<sup>1</sup> Whether or not his prophesy would have been fulfilled under normal conditions, it is difficult to say, for shortly after the enactment of the measure, the storm which had been gathering in the British colonies finally broke, and a new epoch in the history of the Northwest and of the fur trade began. The Revolutionary War was attended by momentous consequences for the commerce of the Upper Country, and in fact, the history of the Northwest during this period is an almost inextricable tangle of war, Indian politics, and trade, on the side of the Americans as well as of the British. The varying fortunes of war and a desire to promote the traffic in furs in turn dictated the policy of the British with regard to the control of the Great Lakes' region, and whatever restrictions they may have imposed upon commerce from time to time by reason of military necessity, it is certain that there was ever present in their minds a desire to retain control of the

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<sup>1</sup>Hansard, Parliamentary History, XVIII, 673.



Northwest for the sake of the valuable peltries which it yielded.<sup>1</sup> The Americans, as they must henceforth be called, were less vitally interested in the fur trade but there are indications that they would not have been at all averse to taking advantage of any commercial opportunities which the occupation of the Northwest might have thrown in their way. Moreover, as in the old days when the English and the French were struggling for supremacy in America, the traders themselves played an exceedingly important part in the wilderness warfare of the Revolution. Their aid was invaluable when it came to enlisting the sympathies of the Indians on one side or the other. Once more was proved the truth of Wraxall's assertion that Indian trade and politics are inseparable.

Practically every commercial advantage, so far as the Great Lakes' region was concerned, lay with the British at the beginning of the struggle. Of supreme importance was the fact that they were in actual military occupation of the fur country. Oswego, Niagara, Detroit, and Michillimackinac, the principal posts controlling the Northwest, were garrisoned by troops which, though few in number, were of unquestioned loyalty. So long as the British could continue to hold these posts and their dependencies, control of the Indian nations of the interior and of their trade was practically assured. Another

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<sup>1</sup>British officers appear to have regarded the Northwest almost entirely from the standpoint of the fur trade, and their correspondence constantly reveals a desire to preserve the posts for the sake of the commerce which they controlled. Haldimand to Bolton, April 18, 1779, Michigan Pioneer and Historical Collections, XIX, 396; Hamilton to Germain, September 25, 1779, ibid., X., 361.





decided advantage on the side of the British was the fact that at the beginning of the war, they had a well-developed organization for the administration of Indian affairs. The department had for years enjoyed the advantages of the wisdom and experience of Sir William Johnson, who probably understood the savage nature better than any other man who has ever lived. He had in fact appointed several of the officers of the northern department, who had served under him during his lifetime.<sup>1</sup> The number of officials in the Indian establishment was increased after the outbreak of the war by recruits selected in many cases from the ranks of the traders who, by reason of their long experience in dealing with the savage, became most capable officials. The colonies on the other hand were decidedly handicapped in this respect, since they were obliged to create an entirely new machinery for the management of Indian affairs and trade, a matter which required time and considerable effort. Thus, at the very outset, the British had a great advantage over the Americans by reason of the facilities at their disposal for retaining the friendship and trade of the Indians. Still another circumstance which gave their merchants a tremendous initial advantage over possible American competitors was the fact that practically all the manufactured goods used in the fur trade came from England. The outbreak of war cut off American merchants from London, which was not only the world's fur market, but likewise the place from which the goods used in the Indian trade were imported. The colonies could indeed

<sup>1</sup>Return of Officers and other Appointments of the





supply a certain amount of rum, ammunition, and tobacco; but they lacked facilities for the manufacture of the blankets, knives, and various other goods which were in great demand among the Indians.<sup>1</sup>

There were on the other hand certain elements of weakness in the British situation in the Northwest. First of all, the loyalty of a large part of the trading class was not above question. The French-Canadians were as a rule lukewarm in their attachment to the British cause and were a constant source of anxiety to the commanders of the northwest posts. To this class belonged not only the voyageurs, engagés, and petty traders in the Indian country, but also many influential merchants of French blood located in the Upper Country; and one of the difficult problems of the commanders at the upper posts was to control their activities without arousing their hostility. The British, moreover, had a tremendously long line of communication to protect, extending, indeed, from Kaskaskia in the Illinois country and the posts northwest of Lake Superior, to London itself - a line which might be threatened at two or three different points. Fort Pitt was a constant menace to Detroit and Niagara while the route to Canada by way of the Hudson River and Lake Champlain afforded a comparatively easy avenue of approach to Montreal, the great

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Northern Department of Indian Affairs on the Peace Establishment previous to the late Rebellion in America. Montreal, November 20, 1786. Canadian Archives Transcripts, C. O. 42, vol.18, p. 124.

<sup>1</sup>Even as early as 1770, Sir William Johnson complained of a scarcity of goods in New York as a result of the Non-Importation Act, which occasioned considerable dissatisfaction



emporium of the fur trade. The posts in the Upper Country were at no time very strongly garrisoned, and British commanders lived in constant dread of an American attack, while even the trade fleets plying between London and Quebec must be convoyed during their passage of the North Atlantic.

New York and Pennsylvania, as has already been pointed out, were the principal American colonies interested in the fur trade at the outbreak of the war. The two principal communications leading to the Indian country were the route from Albany to Oswego by way of the Mohawk River and Oneida Lake; and the overland route from Philadelphia to Fort Pitt, and thence to the Indian country either by pack horse, or by boat down the Ohio River. The presence of a British force at Oswego, together with the hostility of the Six Nations, effectually blocked the former route; and the fur trade of the Great Lakes' region, so far as New York was concerned, was ruined. To what extent the commerce of the Ohio valley depending upon Fort Pitt continued after the outbreak of the Revolution is difficult to say; but it must have been greatly restricted by war and the uncertain attitude of the Indians. The various circumstances which have been enumerated combined to give to the British a monopoly of the fur trade dependent upon the posts situated in the Upper Country. Their task was simply to retain possession of that which was delivered into their hands by force of circumstances.

Congress from the very beginning realized the impor-

among the Indians. Johnson to Hillsborough, July 12, August 14, 1770. New York Colonial Documents, VIII, 222, 225.





tance of the political attitude of the savages and by a series of resolutions adopted July 12, 1775, laid the foundations of a system for the management of Indian affairs.<sup>1</sup> Hand in hand with the task of perfecting an organization for the supervision of the various tribes and the preservation of their friendship went the problem of establishing and maintaining trade relations with the Indians. Commercial intercourse was in fact essential to the attainment of the former object. At a conference between the commissioners for the northern department and representatives of the Six Nations, held at Albany in the late summer of 1775, the Indians expressed a desire that the Americans should open up a trade with them at Albany and at Schenectady, as in former days, when if their people "came down with only a few musquash skins, they went home with glad hearts."<sup>2</sup> The commissioners assured the Indians that a trade would be established at these places, although they must have known that such a promise was more easily made than fulfilled.<sup>3</sup>

Congress did make an effort, however, to establish commercial relations with the Indians, as the surest means of preserving their friendship and alliance. A record of the proceedings at Albany was submitted to a committee of Congress, on the basis of which a report was drawn up and presented on January 27, 1776; and on the same day, resolutions were adopted

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<sup>1</sup>Journals of the Continental Congress. IL, 174.

<sup>2</sup>Force, American Archives, 4th series, IIL, 487. The Six Nations had not yet declared their hostility toward the Americans.

<sup>3</sup>Ibid., 489.



outlining plans for the establishment of a trade with the Indians. It was provided, first of all, that £40,000 worth of goods should be purchased abroad, and imported on the account and risk of the United Colonies. The Secret Committee of Congress was empowered to contract with proper persons for the importation of the merchandise, and for the exportation of colonial produce to pay for it, while the goods thus obtained were to be sold to traders under the supervision of the commissioners. Congress also took this opportunity to lay down rules and regulations for the governance of the trade. No person was to be allowed to sell goods to the Indians without first obtaining a license; traders were to dispose of their merchandise at prices fixed by the commissioners; and they were to be fair in their dealings with the Indians, taking no advantage of their distress or intemperance.<sup>1</sup> They were furthermore obliged to give bond for the observance of these regulations upon receiving their licenses. Commerce with the Indians was also restricted to such places as the commissioners might see fit to designate.<sup>2</sup>

The principal obstacle to the execution of this project was the difficulty of obtaining merchandise. On April 10, Congress instructed the commissioners to inform the Indians that a plan had been determined upon for buying goods with

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<sup>1</sup>The Indians complained of the exorbitant prices charged them by American traders. Butler to Wilson, Force, American Archives, 4th series, V: 816.

<sup>2</sup>Journals of the Continental Congress. .IV., 96.





which to supply their necessities.<sup>1</sup> The problem appeared to be no nearer a solution as time went on, however, for on April 19, George Morgan, agent for the middle department, was directed to tell the tribes that Congress had devised the best plan of which it was capable for the importation of articles with which to supply their needs, and that every effort had been made to secure them in good season. In case the goods should not arrive as soon as they were wanted the savages were to be informed that the British by obstructing commerce were to blame for the sad state to which the trade had been reduced; but they were to be urged to have patience, as relief was expected soon. Such language, addressed to tribes whose friendship was at least doubtful, reveals the straits to which the colonies were reduced in their efforts to maintain the Indian trade, upon which so much depended.<sup>2</sup> Notwithstanding the slight results obtained, these attempts to open up a trade indicate that Congress fully realized the importance of the relation between Indian trade and politics.

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<sup>1</sup>Journals of the Continental Congress. IV, 267.

<sup>2</sup>Journals of the Continental Congress, IV, 295; Ibid., 329, 330. The Pennsylvania convention adopted resolutions on January 23, 1776, urging all persons owning powder mills to manufacture ammunition as rapidly as possible. The necessity for powder in the Indian trade was one of the reasons given for the adoption of this resolution, Force, American Archives, 4th series, I, 1169. The problem of securing goods does not appear to have become less difficult as time went on. Congress attempted to purchase Indian goods in France, but even after Clark's invasion of the Northwest, the supply was totally inadequate.





Projects for expeditions against Niagara and Detroit were occasionally discussed during the early months of the war, but none of them were carried into execution.<sup>1</sup> One of the early military campaigns of the war, however, for a time threatened the very existence of the Canadian fur trade. On November 17, 1775, the city of Montreal surrendered to General Montgomery, leader of the American army which invaded Canada by way of Lake Champlain. Certain of the proposals submitted by a committee charged with arranging articles of capitulation on behalf of the inhabitants of the city are of interest. The committee suggested, among other conditions, that the trade which Montreal carried on with the Upper Country and with England might continue without interruption, and that passports might be granted allowing persons to proceed upon legitimate business. In consideration of the weak state of the garrison, Montgomery felt justified in rejecting these conditions as the basis of a formal capitulation. He replied that in view of the hostilities existing between the colonies and the mother country, he was unable to guarantee the continuance of commercial relations with Great Britain. On the other hand, he promised that he would protect the trade and grant passports to the Upper Country, in so far as the public interest should allow.<sup>2</sup> It is not difficult to understand how vitally the prospects of the merchants

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<sup>1</sup>Journals of the Continental Congress, IV, 301, 318, 373.

<sup>2</sup>Kingsford, History of Canada, V, 470.



were affected by the surrender of the city to the Americans. Montreal was the great center of the Canadian fur trade, and the interests of the merchants imperatively demanded that they should have free access to the Upper Country and that they should not be cut off from London, which was the market for their peltry, and the source from whence they obtained their goods.

On March 4, 1776, while the Americans were still in possession of Montreal, a memorial drawn up by certain merchants of that city was laid before Congress and submitted to a committee of five.<sup>1</sup> Though a copy of the memorial is not available, the subsequent action of Congress will serve to throw some light upon its probable contents. The committee to which the document was referred made a report on March 13; and a week later, when the instructions to be given the commissioners appointed to go to Canada were being debated, certain additional articles were drawn up, which were in all probability in the nature of a reply to the merchants' petition to Congress. The commissioners were ordered to encourage the Indian trade of Canada, and to grant passports for that purpose in so far as might be consistent with the safety of the troops and the public good.<sup>2</sup> They were also to inform the Canadians that their commerce with foreign nations should stand on an equal footing with that of the United States, an assurance which could not have been a source of much consolation to those whose income depended

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<sup>1</sup>Journals of the Continental Congress, IV, 182.

<sup>2</sup>The commissioners did as a matter of fact grant pass-





upon a free intercourse with Great Britain.<sup>1</sup> It is evident from these instructions that Congress was willing to make all possible concessions in order to win over the Canadian trading class, which constituted by far the most wealthy and influential part of the population. While no definite expressions of opinion have been found, there can be little doubt that their interests caused those who were engaged in the fur industry to remain loyal to Great Britain.<sup>2</sup> The American commissioners were able to give but little assurance that commercial intercourse between Canada and England would be maintained; and, had the Americans succeeded in holding the city, it is practically certain that trade with the mother country would have

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ports to certain individuals to carry on the trade. Canadian Archives, series Q, vol. 12, p. 22.

<sup>1</sup>Journals of the Continental Congress, IV, 200, 218. Careful search has failed to disclose the text of the memorial to Congress or the names of the merchants who signed it, though the petitioners in this case were doubtless identical with those whose names frequently appear signed to petitions and memorials of later date. Sinclair, writing of this incident a couple of years later, said "The North West society are not better than they ought to be. Their conduct in sending an Embassy to Congress in 76 may be traced now to matters more detrimental--I believe, to every one of the Provision Stores on the communication." Sinclair to Brehm, May 29, 1780. Michigan Pioneer Collections, IX, 552. Sinclair's meaning is none too clear, but he appears to have been of a naturally suspicious disposition.

<sup>2</sup>Among the conditions proposed by the citizens of Montreal at the time of the capitulation of the city was one to the effect that they should not be required to bear arms against England. Kingsford, History of Canada, V, 470. It is not at all unlikely that certain of the leading merchants of Montreal were members of the committee delegated to treat with Montgomery. The direction in which their interests lay is plainly to be inferred from their anxiety not to commit any act of hostility against the British.



been cut off, at least during the war. The shutting off of Canada from the world's great fur market and the source of manufactured goods would have meant the utter ruin of the merchants of Montreal, who were fully alive to the situation. Their memorial to Congress while the Americans were in possession of the city reveals their anxiety and their determination to prevent the loss of their trade if possible. It is perhaps useless to speculate as to what might have been the consequences if the Americans had succeeded in the conquest of Canada. As has been said, the chief trade of the province would have been ruined, but it is also likely that the destruction of the sole commerce of the interior would have had a very important political effect upon the Indian tribes inhabiting the Northwest. In view of the fact that the Indians were dependent upon the traffic in furs for many articles which had become necessities of life, momentous consequences must have followed a sudden destruction of this mainstay of their existence, though it is difficult to say whether the British or the Americans would have become the objects of their resentment. The unsuccessful attempt to conquer Canada had very little effect upon the trade of the Great Lakes' region notwithstanding the fact that a different outcome must have been attended by tremendous results. Of more importance, in its actual effect upon the commerce of the Upper Country, was the occupation of the Illinois by George Rogers Clark in 1778.<sup>1</sup>

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<sup>1</sup>The capture of Montreal seems to have caused a temporary shortage of supplies. James Bannerman, writing to William





The fur trade of the Great Lakes' region appears to have been on the increase during the years immediately preceding the expedition of the Virginians, due in considerable measure to the enterprising character of the merchants who had entered Canada following the Conquest.<sup>1</sup> Reference has already been made in the preceding chapter to the confusion and disorder which prevailed in the interior during the years which preceded the passage of the Quebec Act. Conditions do not seem to have improved much as time went on, for the prosperous state of the trade attracted many lawless individuals who, released from every restraint, committed all sorts of outrages in the Indian country and became involved in broils with the savages which not infrequently resulted in murder. Lieutenant Governor Hamilton has left anything but a flattering picture

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Edgar from Michillimackinac on June 23, 1776, said that goods were very scarce in Canada owing to the fact that a Mr. Henry (probably Alexander Henry) along with others had purchased \$15,000 worth of Indian goods in Montreal and carried them on sleds to Albany. For what purpose the goods were to be used is not indicated. The writer also says that "all the Powder abt. 900 Barrels was last fall started overboard into the River as there has no Canoes arrived since the 12th Ins. its imagined they wait for Powder from Quebec." Letters and Accounts of the North-West Co., 21.

<sup>1</sup>Canadian Archives Report, 1888. Calendar of Haldimand Collection, vol. IIL, p. 12. It is difficult to draw any accurate conclusion from these tables, due to the fact that the number of furs of different kinds exported varied greatly from year to year, while of course the different varieties were of very unequal value. It is impossible to make an accurate estimate of the condition of the trade in the absence of information concerning the market prices of the different sorts of peltry. Hamilton to Dartmouth, August 29 and September 2, 1776. Canadian Archives, series Q, vol. 13, p. 212.



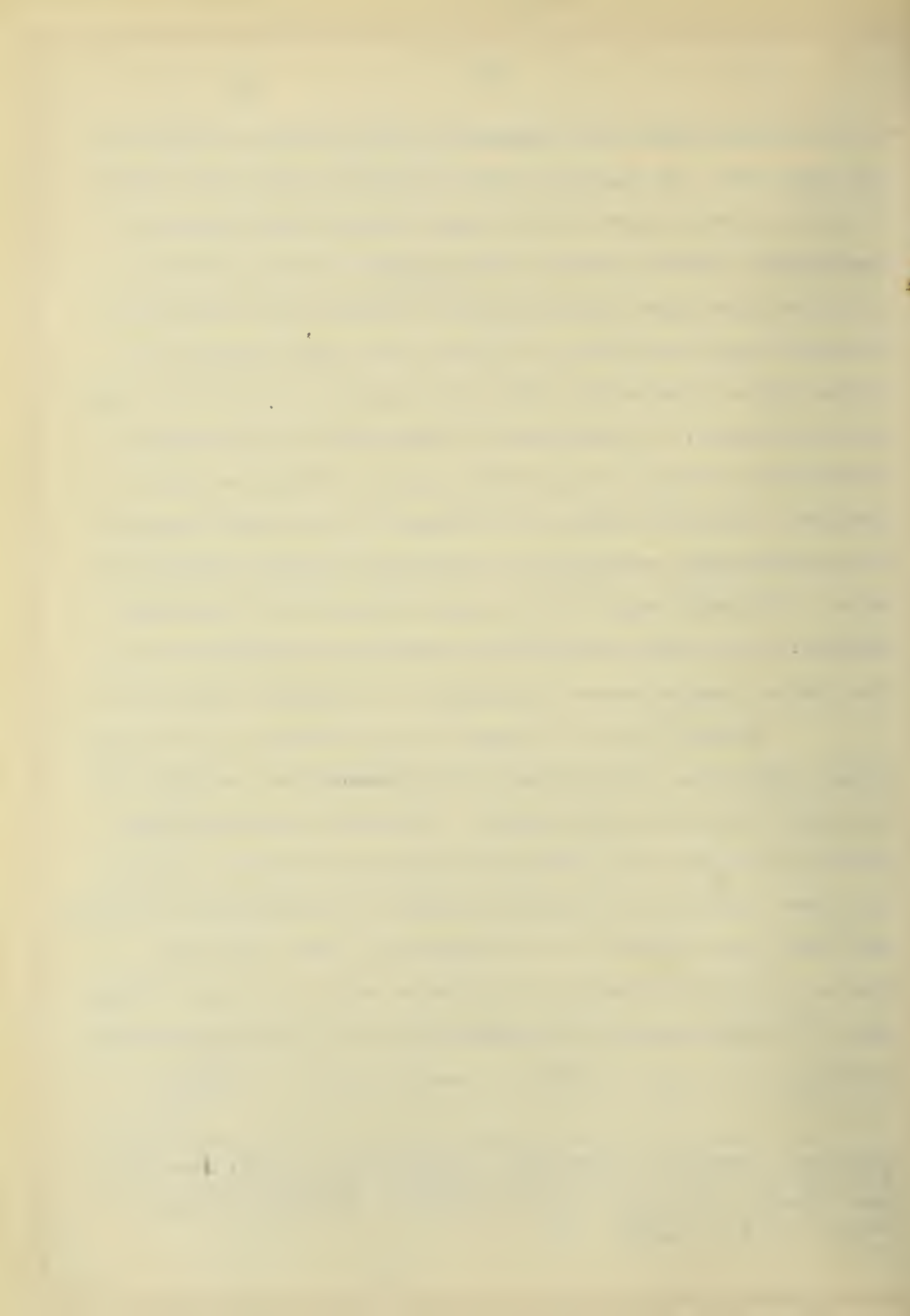


of the petty traders who frequented the vicinity of Detroit in the year 1776. He declared that they imposed upon the Indians to such an extent that the very name "trader" had become a synonym for "artfull cheat." The engagés were many of them fugitives from lower Canada and the colonies, who had either fled from their creditors or the law, and then entered the Indian trade, contracting debts and cheating all with whom they came in contact. He complained, furthermore, of the evil influence which these irresponsible persons exerted over the savages. In short, many of the traders in the Indian country were unprincipled vagabonds who required constant watching and were a continual menace to the peace and quiet of the Upper Country, a circumstance which had important consequences when the West at length became the theater of military operations.<sup>1</sup>

Another source of danger to the British in the Great Lakes' region was the attitude of the Spaniards who occupied the territory beyond the Mississippi. Attention has already been called to the fact that French and Spanish merchants living in Louisiana carried on an extensive trade within British territory, and after the outbreak of the Revolution, there were still further reports of Spanish interference with the Indian tribes east of the Mississippi, intrigues which the British suspected of being set on foot in order to secure control of the fur

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<sup>1</sup>Hamilton to Dartmouth, August 29 to September 2, 1776, Michigan Pioneer and Historical Collections, X, 267, Jealousy between the "New & Old Traders," meaning the English and French, was likewise the cause of much disorder. Letter to Basset, August 12, 1773, ibid., 253.



trade while they were occupied in the struggle with the Americans.<sup>1</sup> British traders had, on the other hand, been encroaching upon the Spanish territory beyond the upper Mississippi for some years, and this fact did not serve to lessen the suspicion and distrust with which the officials of the two nations regarded one another.

Thus there were elements in the situation at the outbreak of the war, which endangered the security of the trade in the Great Lakes' region, and the British officers in control of the Northwest considered it necessary to take measures to ensure the maintenance of law and order. The necessity for regulation became still more imperative after hostilities had actually begun. It was difficult enough to preserve order in time of peace, but upon the outbreak of war, the commanders at the upper posts must have felt that they were living upon the brink of a volcano, which was liable at any moment to burst forth and destroy them. The problem which confronted the British was to keep the good will of the Indians, protect the posts and the line of communication against aggression on the part of the colonies, and at the same time ensure with as little interruption as possible the continuance of the fur trade, upon which depended the friendship of the savages and the prosperity of Canada.

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<sup>1</sup>Vattas to Haldimand, June 16, 1773, Michigan Pioneer and Historical Collections, XIX, 303; Letters of De Peyster, unaddressed, June 4 and 6, 1777, Michigan Pioneer and Historical Collections, X, 275.





The ordinance passed by the Legislative Council in 1777 made no attempt to meet the situation resulting from the war.<sup>1</sup> Before Clark's invasion of the Illinois country, however, there arose a necessity for regulations very closely affecting the trade of the Upper Country. On May 27, 1777, Governor Carleton issued an order to the effect that no vessels were to be permitted to navigate the Lakes, excepting such as were armed and manned by the crown.<sup>2</sup> The arms and ammunition used in the Indian trade were to be put aboard these vessels, and no military stores whatever were to be carried in open bateaux. Merchants might send their other goods in the King's ships, provided always that the service should be in no degree inconvenienced thereby. The purpose of this order was to prevent munitions of war from falling into the hands of the enemy, since there was danger that the Americans might seize private vessels; besides this, however, a great many of the traders could not be trusted. Carleton considered the attitude of the people who were engaged in commerce with the Indians as of much importance and asked Hamilton for his opinion with regard to those at Detroit; where their political sympathies lay, what colonies they came from, and where they bought their goods before the outbreak of the war.<sup>3</sup>

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<sup>1</sup>Carleton to Hamilton, February 2, 1777, Michigan Pioneer Collections, IX, 345.

<sup>2</sup>Letter of Carleton, May 22, 1777, Michigan Pioneer Collections, IX, 348.

<sup>3</sup>Ibid.



Such was the situation of affairs in the Great Lakes' region when the occupation of the Illinois country by George Rogers Clark took place - an event of much importance in connection with the northwest fur trade during the Revolution. The territory occupied by Clark was itself of considerable consequence from the commercial standpoint. The inhabitants of Kaskaskia, Cahokia, and Vincennes, as well as the post of Ouiatanon on the Wabash, were many of them engaged in the Indian trade. These posts and the settlements surrounding them had since 1774 been regarded as dependencies of Detroit, and a number of the merchants living in the region had business connections with the British posts, or directly with Montreal.<sup>1</sup> There was still considerable trade of one sort and another with the Spanish posts at St. Louis and Ste. Genevieve, and also with New Orleans. Many furs were sent down the Mississippi to New Orleans while others were carried to the British posts, and thence to Montreal.<sup>2</sup> In brief, the fur trade of the Illinois country was of great value and importance and, during the years preceding the Revolution, had been regarded as a prize well worth striving for, both by English and Spanish merchants and government officials.

Clark's invasion of the Illinois country appears to have been occasioned by a variety of motives. The prevention  
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<sup>1</sup>Alvord, Cahokia Records (I. H. Col. II.), p. xvi.

<sup>2</sup>Carter, Great Britain and the Illinois Country, 94; Defense of Thomas Bentley, August 1, 1777, Alvord, Kaskaskia Records (I. H. Col. V.), 12.





of Indian depredations upon the back settlements, the acquisition of lands for future settlement, and the hope of dealing a blow at British military power in North America, were each of them motives which doubtless had a share in bringing about the expedition of the Virginians. A desire to secure control of the fur trade certainly cannot be regarded as an immediate cause; but on the other hand, Clark's own words, as well as subsequent events leave no room for doubt that in the minds of those who were responsible for the expedition, the possibility of getting control of a share of the fur trade was at least regarded as one of the advantages incident to the occupation of the region. In a letter written in 1777, probably to Patrick Henry, Clark called attention to the fact that the possession of Kaskaskia would give the Americans command of the Ohio and Mississippi rivers, and thus enable them to obtain supplies from the Spaniards and to carry on a trade with the Indians.<sup>1</sup> After the occupation had been accomplished, further military expeditions against the British were planned. Referring in 1780 to a projected movement against Detroit, Jefferson said in a letter to Clark, "If that Post [Detroit] be reduced we shall be quiet in future on our frontiers, and thereby immense Treasures fo [sic] blood and Money be saved, we shall be at leisure to know [throw] our whole force to the rescue of our eastern Country from subjugation, we shall divert through our own Country a branch of commerce which the European States have

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<sup>1</sup>Clark to Henry, undated. Probably written in 1777. James, Clark Papers (I. H. Col., VIII.), 32.





thought worthy of the most important struggles and sacrifices, and in the event of peace on terms which have been contemplated by some powers we shall form to the American union a barrier against the dangerous extension of the British Province of Canada and add to the Empire of liberty an extensive and fertile Country, thereby converting dangerous Enemies into valuable Friends."<sup>1</sup>

The circumstances attending the occupation of the Illinois country by the Virginians furnish one more illustration of the close connection between Indian trade and politics. In order to secure the attachment of the northwest tribes to the American cause, it was exceedingly desirable that trade relations should be established with them as quickly as possible. On December 9, 1778, an act was passed by the Virginia Assembly which provided for the organization of the county of Illinois. Among other things, it empowered the governor of Virginia, with the advice of the council, to take steps looking toward the establishment of a commerce of some sort for the benefit of the Indians and white inhabitants of the occupied territory. This commendable object was to be attained by "opening a communication and trade with New Orleans, or otherwise," by some means, not indicated, which was to be under the supervision of persons appointed by the commonwealth.<sup>2</sup>

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<sup>1</sup> Jefferson to Clark, December 25, 1780, James, George Rogers Clark Papers (I. H. Col. VIII), 490.

<sup>2</sup> Alvord, Cahokia Records (I. H. Col., II), 11. Henry, in his instructions to John Todd of December 12, 1778, says that the appointment of a trade agent for the Illinois country is being contemplated. It will be the duty of



The proposed plan was at length put into operation and the governor appointed John Dodge Indian trade agent. John Todd informed Clark of the appointment, adding that he hoped the agent might be able to furnish goods to the Indians on reasonable terms and yet not in such quantities as to injure the trade of individuals.<sup>1</sup> He need have given himself little concern on the latter score, however. The appointment of an agent did not, unfortunately, solve the problem of establishing trade relations with the Indians. The savages were urged to give good treatment to the American and French traders who visited them and have nothing to do with the "bad people" (meaning of course the English) who came among them with presents or goods.<sup>2</sup> But long years of commercial intercourse with the white man had taught the savage to rely upon the traffic in furs for many articles which had become almost essential to his existence and if he were to discontinue his trade with the English, he must have something to take its place. The Americans were unable to supply his wants and the problem of retaining his good will became increasingly difficult.<sup>3</sup> The

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the agent to superintend the establishment of a trade with the white inhabitants and Indians of the region, and if the plan is adopted, Todd is requested to give it every assistance in his power. James, Clark Papers (I. H. Col., VIII.), 87.

<sup>1</sup>Todd to Clark, March 24, 1779, Alvord, Kaskaskia Records (I. H. Col., V.), 75.

<sup>2</sup>Joseph Bowman to the Chiefs of the Potawatomi, April 20, 1779. James, Clark Papers (I. H. Col., VIII.), 311.

<sup>3</sup>Todd to Fleming, August 18, 1779. Alvord, Kaskaskia Records (I. H. Col., V.), 110.





whole situation, from the viewpoint of the Indian, was well summed up in a speech delivered by representatives of certain tribes in conference with De la Balme at Fort Pitt in the summer of 1780: "If our father is allied to the Americans, why do these allow us to be in want of everything; must we die together with our wives and children while rejecting the offers which the English make to us; we do not like them; we are ready to strike, but our urgent needs will finally force us to lend an attentive ear to their proposition, if you remain obstinate in still refusing the help which is absolutely necessary to us now. The wild animals which ought to nourish us and procure for us, by the exchange of their skins, clothing to which we have been accustomed, are much more wild than they were before we made use of fire-arms. We are in need, therefore, of powder, of weapons, of traps, instead of the burning liquors which kill our young people, for that is all that is furnished to us. Last year they made us a thousand promises at Philadelphia, now these are not even thought of. On the one hand we are forgotten, abandoned; on the other hand we are solicited and at times threatened by the English; in such a situation what can we do, what ought we to do?"<sup>1</sup> Indeed, the situation from the standpoint of the Americans seemed almost hopeless. Thomas Jefferson wrote Clark that he saw no objection to allowing the British to trade with the Indians and supply them with those

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<sup>1</sup>De la Balme to Luzerne, June 27, 1780, Alvord, Kaskaskia Records, (I. H. Col., V.), 164.



goods which the Americans were unable to furnish, provided they should not require anything from the savages which might lead them to abandon their neutrality. If the British were unwilling to come to such an arrangement, the Indians should be urged to break off relations with them and have nothing to do with their agents and traders. He was of the opinion that it would be well to explain frankly to the Indians that the Americans were without goods and assure them that as soon as peace should be concluded, the trade would be placed upon a more satisfactory basis. Meanwhile, he felt that the Americans must endeavor to supply them with ammunition, in order that they might be able to carry on their hunting and clothe themselves with skins.<sup>1</sup> Jefferson could not have been well acquainted with the management of Indian affairs, or he would have realized the impossibility of retaining the political attachment of the Indians while depending upon the British to supply their trade necessities. It was out of the question to establish Indian relations upon any such comfortable and satisfactory footing. The Americans were thus seriously handicapped in their efforts to gain the friendship of the Indians by the same lack of merchandise which had so hampered their efforts at the beginning of the war.

Clark himself made every effort to conciliate the northwest tribes and win them over to the American cause, and held councils which were attended by considerable success.

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<sup>1</sup>Jefferson to Clark, January 29, 1780. Alvord, Kaskaskia Records (I. H. Col., V.), 148.





The capture of Lieutenant Governor Hamilton at Vincennes in February of 1779 further increased the prestige of the invaders among the Indians, and Clark declared that American influence was soon extended almost to the walls of Detroit. The French merchants were of considerable assistance in this respect, for they worked among the Indians through their trading correspondents, who persuaded several tribes to come to Cahokia to make peace. The success of Clark's effort was only temporary, however. The ruin of the trade of the Illinois country and the general chaos which ensued under the government of Virginia operated more or less indirectly to destroy the influence which had been gained at the cost of so much trouble and a number of the tribes which had formerly been friendly became hostile to the Americans.<sup>1</sup>

The merchants and traders of the Illinois country were generally well-disposed toward the Americans and gave them much financial assistance. Large quantities of supplies and credit were advanced to Clark's government, and without this help, the position of the Americans would have been precarious indeed.<sup>2</sup> Notwithstanding the timely aid which they rendered, these merchants suffered severely as a result of Clark's occupation. Commercial intercourse between Kaskaskia,

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<sup>1</sup>Clark's Memoir, 1773-1779. James, Clark Papers (I. H. Col., VIII), 242. Letter of Clark, June 26, 1783. Calendar of Virginia State Papers, III, 501.

<sup>2</sup>Murray, La Croix, Gratiot, and McCarty were among the merchants of the Illinois country who gave assistance to Clark's government. Aid was also rendered by merchants and traders residing at Vincennes and St. Louis. Alvord, Cahokia Records (I. H. Col., II), li.





Cahokia, and Vincennes, and the British posts of Detroit and Michillimackinac was interrupted, rendering it impossible to obtain merchandise from the British quarter, while delay in settling the accounts of those who had advanced supplies to the invaders also added to the general business depression. As a result of the disorder and impositions from which they suffered under the government of the Virginians, several of the French traders migrated to Spanish territory, among them being Gabriel Cerré and Charles Gratiot.<sup>1</sup> There was a good deal of dissatisfaction among those who remained, some of whom, it appears, would have welcomed a return to the British flag. Lieutenant Governor Sinclair of Michillimackinac sent out agents in the summer of 1781 who were probably instructed to negotiate some sort of a trade agreement with the inhabitants of the Illinois country, but the plan miscarried.<sup>2</sup> The dissatisfaction of the traders of this region, due to the loss of their commerce, continued after the close of the Revolution

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<sup>1</sup>Letter of Clark, June 26, 1783. Calendar of Virginia State Papers, III., 501; Alvord, Cahokia Records (I. H. Col., II.), p. lxxxiii; Gratiot drew his supplies from the firm of David McCrae and Company. When he arrived in the Illinois country, he found the Americans in occupation, but remained, carrying on his trade, apparently by way of St. Louis. His remittances to the firm which he represented were interrupted, to its no little anxiety. On one occasion he attempted to send a boat load of furs and provisions to Prairie du Chien to be disposed of, but the cargo was seized by an officer of the Canadian Indian department. Memorial of John Kay and David McCrae, November 13, 1780, Michigan Pioneer and Historical Collections, X, 446.

<sup>2</sup>Girardin to Sinclair, November 3, 1781, Alvord, Cahokia Records (I. H. Col., II.), 559.



and was the occasion of memorials to Congress. It may be truthfully said that the ruin of the trade of the Illinois country which attended the occupation by the Virginians directly prepared the way for the British trade monopoly which was extended to that region by the merchants of Michillimackinac after the Revolution.

Attention has thus far been confined to the effect of Clark's invasion upon trade conditions in the region actually occupied by the Americans. Its influence upon the commerce of the country which remained under British control was no less marked. General Haldimand, who became governor and commander in chief in 1778, was confronted with the difficult task of protecting the Great Lakes' region from invasion while at the same time preserving the fur trade so far as possible. The problem was rendered even more complex owing to the fact that the security of the posts depended in large measure upon the friendship of the Indians, which in turn depended upon the maintenance of the trade. Clark's efforts to secure the alliance of the northwest tribes have already been noted. The British on their side exerted every effort to retain the good will of the savages, and in the various councils which they held, threats were mingled with persuasion. Some of the arguments employed by British officers are of interest in that they reveal the important relation between Indian trade and politics. Several tribes living in the Wisconsin country visited the post of Michillimackinac in the autumn of 1778. Before their departure, Major De Peyster, who was then lieutenant governor,





gave them a belt which he requested them to carry through the different villages of the nations living under the protection of the British. He urged them to remain quietly at home and have no dealings with the "rebels" and particularly enjoined them not to injure British traders. Should they misbehave during the winter, he threatened to send back every canoe load of traders' goods to Montreal the following season. This argument, he said, had considerable force with the Indians. He also impressed it upon them that the Americans were in no position to supply them with the goods which they needed, in which statement he was indeed not far from the truth.<sup>1</sup> The attitude of the Sauk and Fox tribes caused considerable anxiety late in 1778 and in 1779, when it was feared that Clark would move against the posts on the Lakes. One Gautier was sent to them as an agent in order to secure their attachment if possible. They were inclined to make light of his threats to shut off their trade if they continued to hold intercourse with the Americans. De Peyster, however, who was in a position to know Indian nature, expressed the opinion that they would view the situation differently if their trade were actually discontinued.<sup>2</sup>

In the summer of 1779, representatives of a number of tribes living in the vicinity of Michillimackinac visited Quebec, and Haldimand warned them that unless they made an effort to keep their country clear of Americans, he would

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<sup>1</sup>De Peyster to Haldimand, September 21, 1778, Michigan Pioneer Collections, IX, 371.

<sup>2</sup>Same to same, May 13, 1779, Michigan Pioneer Collections, IX, 381.



deprive them of all trade; for he was not going to allow his people to go into the Indian country unless they could do so in safety.<sup>1</sup> But if a threat to stop the trade was an effective argument with the Indians when they became restive, it was no less important that friendly tribes should not suffer too much from restrictions necessitated by the war. The Indians frequently asked that traders be sent among them and to have refused their requests without some good reason which could be appreciated by the savage mind would have been the surest way of alienating their friendship.<sup>2</sup>

If the maintenance of the fur trade was essential from the standpoint of Indian diplomacy, there were on the other hand elements in the situation which rendered the very existence of this commerce a menace to British authority in the Great Lakes' region. The French traders in the Illinois country, as has already been indicated, had taken the side of the Americans, almost to a man. It was natural that the attitude of those who still remained subject to British authority in the Upper Country should have been a source of much anxiety. They lived in considerable numbers at the posts and were also scattered throughout the interior, where they exercised great influence over the Indians, and the British commanders needed to exert the utmost vigilance in order to prevent them from

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<sup>1</sup>Speech to the Indians, July 2, 1779. Michigan Pioneer and Historical Collections, XIX, 444.

<sup>2</sup>See, for example, De Peyster to Sinclair, September 17, 1780, Michigan Pioneer Collections, IX, 617.





spreading treasonable reports among the tribes which were wavering in their loyalty.<sup>1</sup> There was also grave danger that in case the Americans were to attack either Detroit or Michillimackinac, the French traders would themselves rise against the garrisons,<sup>2</sup> though there was on the other hand some reason to expect that their business connections with Montreal might prevent them from undertaking hostilities against the British.<sup>3</sup>

Another source of danger was the possibility that goods might be carried to the Americans in the Illinois country under the guise of the fur trade. Large quantities of ammunition and merchandise were annually carried into the Indian country, and there was considerable apprehension lest some of these supplies might reach the Americans by accident or otherwise. At first glance it would appear as though the amount of ammunition or other goods which might fall into the hands of the invaders would be so small as to be of little consequence.

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<sup>1</sup>It is doubtful whether the traders actually drawing their supplies from the British posts carried on any very considerable intrigues among the Indians but the activities of those living in the region occupied by Clark caused much apprehension. Clark himself speaks of the effective aid rendered by French traders in securing the friendship of the Indians. See ante, p. 63; De Peyster to Haldimand, June 27, 1779, May 17, 1780, August 31, 1780, Michigan Pioneer Collections, IX, 389; X, 395, 424.

<sup>2</sup>Michigan Pioneer Collections, IX, 367.

<sup>3</sup>De Peyster to Haldimand, May 13, 1779. Michigan Pioneer Collections, IX, 381. Sinclair compelled all traders, British and Canadian, who resorted to the post of Michillimackinac, to take an oath of allegiance before going into the Indian country. Sinclair to Brehm, October 7, 1779, ibid., 526.





It should be remembered, however, that the forces of both sides in the Northwest were comparatively small, Clark's army of occupation numbering but two hundred men. To a force of that size, a very few canoe loads of goods would be of the utmost service. Guns and ammunition were the most important articles employed in the fur trade and the Americans would of course welcome an opportunity to secure supplies of this sort. The British commanders also feared that any accumulation of merchandise at the posts in the Upper Country might lead to an attack by the Americans.<sup>1</sup>

This situation rendered it necessary to subject the commerce of the Great Lakes' region to most stringent regulation. Early in 1778, even before Clark's expedition, Lieutenant Governor Hamilton considered it advisable to call in the traders from Sandusky, because he suspected they were communicating with the Virginians. He proposed to allow only responsible persons to go out among the Indians "and gradually to withdraw all petty traders from every post as a trifling advantage or a scurvy bribe can generally purchase their sordid souls."<sup>2</sup> Carleton's order of 1777 prohibiting all vessels save those armed and manned by the crown has already been mentioned. This policy of prohibiting the navigation of the lakes by private vessels was continued throughout the war. Governor Haldimand also exercised great care in granting passports for the

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<sup>1</sup>Haldimand to Bolton, December 25, 1778, Michigan Pioneer and Historical Collections, XIX, 367.

<sup>2</sup>Hamilton to Carleton, April 25, 1778, Michigan Pioneer



transportation of merchandise to the Upper Country and British officers had orders to be on the alert when there was any doubt as to the ownership or destination of a cargo of goods.<sup>1</sup>

Hamilton's unfortunate expedition to Vincennes, together with the uncertain state of affairs in the Upper Country, led Haldimand to defer the granting of passports for the trade in the spring of 1779.<sup>2</sup> Commanders at the upper posts had orders to stop any trader attempting to pass without a license and seize his goods, in accordance with the provisions of the ordinance of 1777. The instructions were rigidly enforced in the case of one Joseph Howard, a merchant who arrived at Michillimackinac without a pass in the spring of 1779.<sup>3</sup> These restrictions, however necessary they may have been from the military standpoint, were nevertheless attended by serious inconvenience to commerce. The merchants trading to the northwest of Lake Superior were accustomed to send provisions in sailing vessels to the traders and engagés living in that region; but the regulations concerning the navigation of the lakes made this exceedingly difficult to do.<sup>4</sup> The merchants of Detroit

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Collections, IX, 433; Hamilton to Haldimand (undated), ibid., 468; same to same, September 16, 1778, ibid., 476.

<sup>1</sup>Haldimand to Bolton, December 25, 1778, Michigan Pioneer and Historical Collections, XIX, 367.

<sup>2</sup>Haldimand to De Peyster, April 18, 1779, Michigan Pioneer Collections, IX, 357.

<sup>3</sup>De Peyster to Haldimand, June 14, 1779, Michigan Pioneer Collections, IX, 383.

<sup>4</sup>Petition from the Northwest Traders, May 11, 1780, Canadian Archives Report, 1888, p. 61. Haldimand to Brehm, May 7, 1779, Michigan Pioneer and Historical Collections, XIX, 403.





also complained of the delays which they suffered from the transportation of their goods in the King's ships. Military stores took precedence over merchants' goods, with the result that the latter accumulated at the carrying places at Carleton Island or Niagara where they were exposed to the weather and occasionally stolen.<sup>1</sup> While Haldimand regarded the safety of the posts as of more importance than the welfare of the fur trade, still he granted the merchants such liberty as was not inconsistent with military necessity and sought at all times to obtain accurate information concerning the general character of the trade, in order that it might be hampered no more than was absolutely necessary.<sup>2</sup>

When the West became the theater of military operations, the commandants at Detroit and Michillimackinac were obliged to exercise the greatest care in granting permission to go out into the Indian country, in order to prevent the savages from being tampered with and to keep traders from resorting to the enemy. As soon as news of the American invasion of the Illinois country reached Lieutenant Governor De Peyster at Michillimackinac, he ordered the traders who were descending the Mississippi to turn back.<sup>3</sup> Commerce with the Illinois

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<sup>1</sup>Petition of the Merchants of Detroit, January 5, 1780, Michigan Pioneer and Historical Collections, XIX, 492.

<sup>2</sup>See report of Charles Grant, dated April 24, 1780, drawn up at the request of Haldimand and describing the trade of the Upper Country. Canadian Archives Report, 1888, p. 59. Lieutenant Governor Sinclair, commandant at Michillimackinac, appears to have had but little sympathy with the representations of the merchants and traders, most of whom he regarded with distrust. Sinclair to Haldimand, (undated), Michigan Pioneer Col-  
Continued on next page.



country was of course shut off altogether while that carried on in the region of the upper Mississippi was greatly restricted. Writing in August of 1780, Lieutenant Governor Sinclair said that he should be obliged to prevent anyone from going into the country south of Lake Superior for some months, in order to prevent disaffected Indians from being supplied with goods.<sup>1</sup>

The following spring, Haldimand considered it practicable to relax a little from the strict regulations of the preceding year and instructed Sinclair to further the trade to the Northwest by way of Lake Superior so far as possible. The commandant was to continue to use his own discretion with regard to granting permission for the Mississippi trade.<sup>2</sup> Equal care was necessary in the country dependent upon Detroit. De Peyster,

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lections, IX, 562; Sinclair to Brehm, May 29, 1780, ibid., 552.

<sup>3</sup>De Peyster to Haldimand, October 7, 1778, Michigan Pioneer Collections, IX, 373.

<sup>1</sup>Sinclair to Haldimand, August 2, 1780; Michigan Pioneer Collections, IX, 570. After Hamilton's capture at Vincennes, De Peyster was transferred from Michillimackinac to Detroit, while Sinclair became lieutenant governor at the latter post.

<sup>2</sup>Haldimand to Sinclair (undated) though clearly written in the spring of 1781. Michigan Pioneer and Historical Collections, X, 477. Certain French-Canadian traders resorting to the post of Michillimackinac protested to Haldimand against the partiality which they claimed was shown the traders resorting to the Northwest of Lake Superior. It is apparent from this memorial, which was probably drawn up in 1780, that there was some feeling still existent between the French, and the English and Scotch traders. "Plan d'un Memoire a presenter a Son Excellence par les Voyageurs Canadiens dans la partie Du Sud des Pais d'En haut," Canadian Archives, series B, vol. 99, p. 173.





who had been transferred to that post after Hamilton had come to grief at Vincennes, proposed in 1780 to recall all but one trader from the Miami Indians, the favored individual who was to remain being one Beaubin "whom the people of Post Vincent wish to hang."<sup>1</sup> In spite of the restrictions which were considered necessary, it was constantly recognized that the Indians could not be entirely deprived of their trade without danger of losing their friendship.<sup>2</sup> The necessity for some means of controlling the activities of those going into the Indian country led to the establishment of a general store at Michillimackinac on July 1, 1779. Persons properly qualified to carry on the trade of the interior were chosen by the merchants subject to the approval of the commandant at the post. The plan seems to have been successful, for De Peyster said that it enabled him to send out of the Indian country all unreliable traders, including those who failed to pay their debts and were suspected of wanting to go over to the Americans.<sup>3</sup>

Aside from the restrictions which were imposed by the British officers commanding in the Upper Country, the outbreak of hostilities and the disorder and confusion which followed had a very direct influence upon the fur trade. Both sides

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<sup>1</sup>De Peyster to Haldimand, November 16, 1780. Michigan Pioneer and Historical Collections, X, 449.

<sup>2</sup>In 1780, De Peyster gave it as his opinion that unless the Potawatomi were given traders, they would either become estranged from the British or else become a burden to the government. De Peyster to Sinclair, September 17, 1780, Michigan Pioneer Collections, IX, 617.

<sup>3</sup>Articles Relative to the Establishment of a General Store at Michillimackinac, July 1, 1779, Michigan Pioneer and





organized war parties and raiding expeditions in which they enlisted the aid of the savages. This circumstance very materially affected the trade, inasmuch as the Indians refused to hunt while at war and depended upon the government for subsistence. Haldimand even complained that they desired to prolong the strife in order that they might continue to live in indolence.<sup>1</sup> The part played by the traders themselves in the forest warfare of the Revolution is not without interest. Possessed of great influence among the Indians, their assistance was indispensable to the carrying out of the minor expeditions which the Americans and British organized from time to time, while their adventurous lives admirably fitted them for the guerilla warfare which played a prominent part in the Revolution in the West.

It will be impossible even so much as to mention all the raids, participated in by Indians, traders, and militia, which harried the Northwest during the closing years of the Revolution. One or two of the more important expeditions deserve mention, however. Spain had declared war on Great Britain on May 8, 1779, and the following year, Lieutenant Governor Sinclair organized two bands, one of which was to descend the Mississippi and capture St. Louis, while the other was to

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Historical Collections, X, 305; De Peyster to Haldimand, October 5, 1779, ibid., IX, 398.

<sup>1</sup>De Peyster to Haldimand, June 1, 1779, Michigan Pioneer Collections, IX, 383; Haldimand to Germain, September 17, 1780, Michigan Pioneer and Historical Collections, X, 431.



invade the Illinois country by way of Chicago.<sup>1</sup> The traders resorting to the Mississippi country were active in assembling the Indians while a great many of them also accompanied the expedition themselves, along with their engagés. Sinclair hoped that the reduction of the Spanish post at St. Louis would throw the rich fur traffic of the Missouri country into the hands of the British, and he held up this prospect before the traders in order to induce them to take part in the expedition. All those who should assist in the capture of the enemy posts and in garrisoning them throughout the winter, he proposed to reward by granting a monopoly of the trade of the Missouri, and he promised to forward their canoes from Michillimackinac. Sinclair likewise expected that the prospect of the booty to be captured at St. Louis, as well as the memory of injuries which the traders had sustained at the hands of the Spaniards in upper Louisiana would furnish an additional incentive.<sup>2</sup> The attack on St. Louis was a failure and the expedition which invaded the Illinois country met with no better success. Though the outcome was disastrous from a military standpoint, Sinclair professed to see certain minor benefits resulting from the expedition. In the first place, the Indians taking part were

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<sup>1</sup>Winsor, Narrative and Critical History of America, VI, 738. Sinclair to Haldimand, February 15, 1780, Michigan Pioneer Collections, IX, 544; Sinclair to Brehm, February 15, 1780, ibid., 542; Sinclair to Haldimand, February 17, 1780, ibid., 546. This expedition was to coöperate with a British force which it was planned should ascend the Mississippi from New Orleans and formed part of a general scheme to wrest control of the river from the Spaniards.

<sup>2</sup>Sinclair to Haldimand, February 17, 1780, Michigan Pioneer Collections, IX, 546; same to same, May 29, 1780, ibid., 549.





thereby more firmly attached to the British cause. Then too, the traders who refused to aid in the enterprise could no longer find fault with the restrictions to which they were subject, so long as the enemy occupied the Illinois country. The last was apparently a rather important consideration in the eyes of the commandant, who was annoyed by the importunities of the traders who desired permission to go into the interior.<sup>1</sup>

The region south of the Great Lakes was the scene of various raids in 1780 and 1781. A detachment from Illinois and Vincennes under De la Balme sacked the trading post on the Miami in the fall of 1780 but was shortly afterward attacked and defeated by the Indians living in that quarter.<sup>2</sup> A few days later, a party of Cahokians under Jean Baptiste Hamelin fell upon the British post of St. Joseph's and started back to the Illinois country with some fifty bales of goods and several captured traders. Lieutenant Du Quindre who had been stationed in that quarter by De Peyster, gathered the Indians in the vicinity and started in pursuit of the Cahokians. The marauders were overtaken and the captured traders recovered, along with their merchandise. To General Haldimand the incident simply furnished one more proof of the undesirability of allowing goods to be carried into the more remote parts of the interior, where they could not be protected by British troops. This was in fact just the sort of occurrence that the severe regulations complained of by the merchants were designed to prevent.<sup>3</sup>

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<sup>1</sup> Sinclair to Bolton, June 4, 1780, Michigan Pioneer and Notes 2 and 3 on next page.



This raid was the fore-runner of a more pretentious expedition, participated in by Spaniards and Cahokians, which plundered St. Joseph's in February of 1781. A number of traders were again captured and their merchandise divided among the Indians living in the vicinity. Du Quindre endeavored to repeat his previous exploit, but the Potawatomi refused to move and the invaders made good their escape. Whatever may have been the object of the expedition, the British regarded the event simply as an irritating occurrence, of importance only in its relation to trade and Indian affairs.<sup>1</sup> In a council held the following month at Detroit the Potawatomi endeavored to explain to De Peyster their conduct in allowing the enemy to plunder the post. The commandant adopted a stern attitude toward them, reminding them that he had often spoken on the subject of their traders and the goods entrusted to their care.<sup>2</sup>

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Historical Collections, XIX, 529; Sinclair to Haldimand, July 8, 1780, Michigan Pioneer Collections, IX, 558.

<sup>2</sup>De Peyster to Powell, November 13, 1780, Michigan Pioneer and Historical Collections, XIX, 581.

<sup>3</sup>Wisconsin Historical Collections, XVIII, p. xxi; Missouri Historical Review, April, 1908, p. 205; De Peyster to Powell, January 8, 1781, Michigan Pioneer and Historical Collections, XIX, 591; Haldimand to De Peyster, April 10, 1781, ibid., X, 465.

<sup>1</sup>Missouri Historical Review, April, 1908; De Peyster to Powell, March 17, 1781, Michigan Pioneer and Historical Collections, XIX, 600. For a discussion of the origin and motives of the expedition, see also, Missouri Historical Review, July, 1911.

<sup>2</sup>Indian Council at Detroit, March 11, 1781, Michigan Pioneer and Historical Collections, X, 453.





When the Potawatomi a little later requested traders, Haldimand instructed Sinclair to use his own discretion in the matter, but to inform them that if they again allowed those who came to them to be pillaged, their commerce would be discontinued.<sup>1</sup>

It is rather difficult to say precisely what effect the war had upon the volume of commerce in the Great Lakes' region. Returns of the licenses issued during the years from 1777 to 1783 show some variations that are of interest, however. So far as may be judged from the quantity of goods transported to the Upper Country, the high water mark of the trade during the period of actual hostilities was reached in 1778. In that year licenses were issued for 152 canoes and 374 bateaux, with goods valued at £191,013 currency. This was a considerable advance beyond the record of the preceding year, when 155 canoes and 312 bateaux departed for the Indian country with goods to the value of £176,665. The year 1779 saw a tremendous decline in the quantity of merchandise sent to the Upper Country. Passes were granted for but seventy-seven canoes, with cargoes valued at £41,355. Clark's invasion of the Northwest was responsible for the iron-clad regulations which were the cause of this decline. Returns for 1780 are lacking, but those for the ensuing three years show a steady annual increase in the volume of commerce. The value of the goods sent up from Montreal in 1783 was greater than for any other year of the

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<sup>1</sup>Haldimand to Sinclair, May 31, 1781, Michigan Pioneer and Historical Collections, X, 486.





war for which returns are available. The cessation of hostilities and the prospect of an early peace were largely responsible for this increase.<sup>1</sup>

The returns of furs exported from the province of Quebec during the Revolution bear little relation to the amount of merchandise sent up from Montreal, nor do they reveal any fluctuations which can be traced to the varying fortunes of war. There is no indication that the fur traffic as a whole suffered greatly from hostilities, for the returns from 1775 to 1783 are uniformly greater than for the seven years which preceded the Revolution. In spite of the disorganization of trade which Clark's invasion necessarily occasioned, the commerce of the Great Lakes' region does not appear to have suffered material injury, if the returns of furs exported to Great Britain are any indication of the true state of affairs.<sup>2</sup> It is certain, however, that the returns would have been larger if the country had remained at peace. Clark's invasion drove the British traders back toward the military posts in the Great Lakes'

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<sup>1</sup>Returns of Indian Trade Licenses. It is probable that the valuations given in these returns are in pounds, New York currency.

<sup>2</sup>These returns, however, include the peltry gathered in the country northwest of Lake Superior, which was unaffected by the war. Then, too, it must be remembered that prior to the Revolution, many furs from the Great Lakes' region found an outlet by way of Schenectady and Albany and were carried to New York. The war diverted all this trade through Montreal, which may to a certain extent account for the large returns from the province of Quebec during this period.



region and, as has been pointed out, the disorder which ensued necessarily had its effect upon the commerce of the region. Even the ruin of the trade of the Illinois country, however, was not a dead loss to the British inasmuch as a considerable part of it had found its outlet in the Spanish market at New Orleans. The trade appears in fact to have suffered more from the precautionary measures adopted by the British than from actual hostilities. Though the returns in peltry would doubtless have been larger if there had been peace instead of war, it is at the same time true that British commerce in the Great Lakes' region did not languish. In fact, this period saw the origin of both the Michillimackinac and North-West Companies.

The British succeeded remarkably well in performing the task which confronted them in the Northwest upon the outbreak of the Revolution. They were able to hold the posts and the long line of communication extending from Montreal to the Upper Country, and at the same time to preserve the fur trade and with it the friendship of the Indian tribes. Though the Virginians occupied the Illinois country and Vincennes, the position of the British upon the Great Lakes was unimpaired at the close of the war. The history of the fur trade during the Revolution illustrates remarkably well the close relation between Indian trade and politics. American agents were hampered in their dealings with the savages by a lack of goods with which to open a trade. The fact that the British were able to maintain commercial relations with the Indians





of the Northwest accounts in large measure for their ascendancy over them during the war and the years which followed. The foundations of the British monopoly of the fur trade were laid during the period of the Revolution.



## CHAPTER III.

The Treaty of 1783.

The year 1782, in which the provisional articles of peace were signed, saw the position of the British in the Great Lakes' region practically unchallenged. Clark's invasion of the Northwest had indeed threatened their supremacy in the Upper Country, but at no time did the authority of the Virginians extend to the lakes themselves, and Oswego, Niagara, Detroit, and Michillimackinac, along with numerous lesser posts and dependencies, remained under British control.<sup>1</sup> The prospects of the Canadian merchants were indeed brighter at the close of the war than they had been at its outbreak since their commerce had suffered no material injury and the competition of the southern colonies was a thing of the past.<sup>2</sup>

Under these circumstances, it is not surprising that those engaged in the fur trade hoped and indeed expected that the future position of Great Britain in the Northwest should be determined by the military status quo as it existed in 1782.

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<sup>1</sup>It is probable that the authority of the government of Virginia did not extend beyond the Illinois River, or far beyond Ouiatanon on the Wabash. There were in fact no definite bounds to the territory which Clark may be regarded as having occupied. Alvord, Cahokia Records, (I. H. Col. II.), p. lii.

<sup>2</sup>In 1782, licenses were granted for 120 canoes and 250 bateaux, loaded with goods for the Indian trade valued at £184,055, currency (?). Returns of Indian Trade Licenses. It is very probable that the valuations given in these returns are in pounds, New York currency.



But the merchants into whose hands the war had delivered a monopoly of the peltry trade were doomed to disappointment. Though the Treaty of Paris did not so much as mention the fur trade, it contained provisions which those who were interested therein firmly believed meant their ruin. Notwithstanding the fact that the traffic in furs was the staple commerce of the Great Lakes' region, their interests appeared to have been completely ignored.

In the negotiations which preceded the Treaty of Peace, political and diplomatic considerations dictated the policy of the British ministry rather than the interests of those who were <sup>engaged</sup> in the Canadian fur trade. The overthrow of Lord North and the accession of Shelburne, who first became secretary of state for the southern department and later prime minister, revolutionized British policy with regard to the Americans. Shelburne desired above all else to conciliate the former colonies and thus separate them from France, to attain which end he appeared willing to make almost any concessions which might be necessary.<sup>1</sup>

Early in 1782, Richard Oswald was sent to Paris by the ministry to sound the American commissioners with regard to the basis upon which they would be willing to treat for peace.<sup>2</sup> On July 10, Franklin, who was one of the commissioners conducting negotiations on behalf of the United States, outlined the condi-

<sup>1</sup>Phillips, The West in the Diplomacy of the American Revolution, 216.

<sup>2</sup>Ibid.





tions which he believed might be made the basis of peace as well as of future amicable relations between the two countries. Among the conditions enumerated as being absolutely essential to an understanding between the United States and Great Britain, he included the restriction of Canada to the boundaries which it had possessed before the Quebec Act. He even went further and suggested that the cession of all the northern province would be very desirable. Oswald made no particular objection to these proposals and caused them to be transmitted to Shelburne. A little later, in August, Franklin again urged the advisability of ceding Canada to the United States and his arguments were so effective that Oswald was persuaded to advise the acceptance of his demands.<sup>1</sup> Franklin pointed out that Canada was of no value to Great Britain except for the fur trade and that it would be the part of wisdom for the ministry to surrender any advantage which might be enjoyed in that respect for the sake of winning the friendship of the Americans and preventing them from forming an alliance with some other nation.<sup>2</sup> Even before receiving Oswald's recommendations, the British ministry determined to accede to the conditions which Franklin had on July 10 enumerated as being essential to a peace. The independence of the colonies was recognized and, while the cession of all Canada was refused,

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<sup>1</sup>Fitzmaurice, Life of Shelburne, II, 165-167; Phillips, 216, 217.

<sup>2</sup>Notes of a conversation between Mr. Oswald and Dr. Franklin. Lansdowne MSS., vol. 87, pp. 183, 184.



it was agreed that its limits should be confined to what they were before the passage of the Quebec Act.<sup>1</sup> The ministry a little later endeavored to stipulate that a portion of the Northwest should be reserved for loyalist settlers, but the American commissioners would consent to nothing less than the unconditional cession of the territory in question.<sup>2</sup>

Finally, on November 20, the preliminaries of peace between England and the United States were signed.<sup>3</sup> The terms of the provisional treaty are too familiar to require any extended discussion. The articles which were of most importance to those interested in the fur trade had to do with the drawing of the boundary and the navigation of the Mississippi.<sup>4</sup> The second article, defining the boundary between Canada and the United States, ceded to the latter the region south of the Great Lakes including the posts of Oswego, Niagara, Detroit, and Michillimackinac, which had for years controlled the fur trade of the Upper Country. Grand Portage, which was situated at the western end of Lake Superior and had become the great rendezvous of the trade to the far Northwest, was by the terms of the treaty given up to the

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<sup>1</sup>Fitzmaurice, II, 173; Phillips, 218. Townshend's dispatch to Oswald outlining the concession of the ministry was dated September 1, 1782.

<sup>2</sup>Phillips, 222; Fitzmaurice, II, 192; Winsor, Westward Movement, 218.

<sup>3</sup>Phillips, 226.

<sup>4</sup>For the text of the provisional articles, see Malloy, Treaties and Conventions, I, 580.





United States.<sup>1</sup> The eighth article provided for the free navigation of the Mississippi River by both England and the United States. This was a provision of much importance to those engaged in the fur trade since the stream formed one of the great commercial highways of the Northwest; but as nothing was said concerning a free communication between the Great Lakes and the Mississippi, British traders regarded this guarantee as of little value.

Thus the greater part of the territory dependent upon the posts of Detroit and Michillimackinac, the trade of which had an annual value of thousands of pounds, was given up to the Americans. The region northwest of Lake Superior included the most important fur-bearing area which, according to the terms of the treaty, was to remain under British control.<sup>2</sup> There were other considerations besides the value of the ceded territory which the merchants regarded as very closely affecting their interests. By the boundary provisions of the treaty, the United States was to be given possession of Oswego, Niagara, Detroit, and Michillimackinac, which guarded the routes leading from Albany and Montreal to the Upper Country. Even the merchants who con-

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<sup>1</sup>There was some ambiguity in the description of the extreme northwestern boundary, due to lack of accurate geographical knowledge; at the same time there was little doubt that Grand Portage fell within American territory.

<sup>2</sup>The country north of Lakes Erie and Ontario yielded a good many furs but with the exception of the posts beyond Lake Superior, the most important places of trade were within the territory ceded to the Americans.



fined their trading activities to the far Northwest, which still remained under the British flag, felt that their interests were seriously threatened because the line of communication between Montreal and the field of their operations might be controlled by the Americans.<sup>1</sup> The terms of the treaty were moreover of particular importance to the traders because of the situation of Indian affairs. The friendship of the savages was absolutely essential to success in the trade; and by the treaty, the territory occupied by the most important nations of the Northwest was surrendered. If the Indians should become detached from British influence and pass under the control of the Americans, the interests of the Canadian merchants would be very seriously compromised.

The general arguments for and against the proposed boundary, as well as the position assumed by the government with regard to the commercial considerations involved in the cession of a large fur-bearing region to the United States, are most clearly set forth in the report of the parliamentary debate on the provisional articles of peace, which took place on February 17, 1783. The opposition attacked the treaty from every possible angle and naturally the boundary provisions contained therein were bitterly assailed. It was pointed out that the treaty surrendered the most valuable part of the fur trade to the Americans and delivered the friendly Indian nations of the ceded territory into the hands

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<sup>1</sup>Frobisher to Mabane, April 19, 1784. Canadian Archives Report, 1888, p. 63.





of their enemies. Lord North deprecated the surrender of the western posts, upon which such vast sums of money had been spent and which were so essential to the control of the commerce of the Northwest.<sup>1</sup> The Earl of Carlisle urged that the drawing of such a boundary virtually surrendered all Canada to the Americans, for of what value could Montreal and Quebec alone be, since they were only ports for the commerce of the region which was ceded to the United States? He pointed out that all Lake Michigan was given up, out of which came two thirds of the fur trade of Canada!<sup>2</sup> The article stipulating for the free navigation of the Mississippi was ridiculed because no provision was made for a communication between that river and the Great Lakes which should lie within British territory.<sup>3</sup> Viscount Townshend declared that the American commissioners had been too cunning for Oswald. "Why," he asked, "could not some man from Canada, or respectable Canadian merchant, well acquainted with the country, have been thought of for the business which Mr. Oswald had been sent to negotiate?"<sup>4</sup>

Thomas Townshend, in his defense of the treaty in the House of Commons, seems to have correctly stated the position of the administration when, referring to the loss of the fur trade

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<sup>1</sup>Hansard, Parliamentary History, XXIII, 450.

<sup>2</sup>Ibid., 377, 378. The Earl of course greatly over-estimated the importance of the trade carried on by way of Lake Michigan.

<sup>3</sup>Ibid., 382, 400, 451.

<sup>4</sup>Ibid., 391.





complained of by the opposition, he said that while those particularly interested might raise a clamor against the treaty on that ground, yet the interests of the whole people must be taken into account. This indeed appears to have been the position of the administration and of Lord Shelburne in particular. Continuing, Townshend pointed out that the trade was not so greatly injured by the drawing of the boundaries as some were fain to believe. Enough of Canada was left to insure the preservation of a considerable part of the trade to England; and, moreover, the most valuable furs came from the territory to the north of the boundary, which had not been given up. Replying to the charge that the treaty surrendered the posts which had been erected and maintained at so great an expense, he declared that the building of these forts had been one of the great follies of Lord North's administration.<sup>1</sup>

Lord Shelburne's defense of the treaty is of particular interest in any consideration of the boundaries and the fur trade.<sup>2</sup> He argued that the commerce of the region was not worth the expense involved in retaining it. The annual value of the exports

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<sup>1</sup> Hansard, Parliamentary History, <sup>XXIII.</sup> 465. With regard to the comparative value of the trade within American territory, anything approaching an accurate statement is impossible. James McGill, of the firm of Todd and McGill, estimated the total value of the Canadian fur trade in 1785 at £180,000 currency, of which £100,000 came from territory on the American side of the line. There is reason to believe that this was an attempt at a reasonable estimate. McGill to Hamilton, August 1, 1785, Canadian Archives Report, 1890, p. 56.

<sup>2</sup> Hansard, Parliamentary History, XXIII, 408-410.



from England to Canada he estimated at £140,000 sterling while the value of the imports from Canada to England, which would of course include all the furs which the country yielded, he placed at only £50,000. He declared that the preservation of this import of £50,000 annually cost the nation £800,000 and that he could prove his statement by vouchers which he carried in his pocket. Thus, he said, England would annually gain £750,000 by the surrender of the territory against which the opposition were crying out. The statistics submitted by Shelburne cannot be accepted without reservation.<sup>1</sup> He was arguing the whole question of the treaty from the political standpoint and there is no doubt that he underestimated the value of the fur trade in order to strengthen his case, just as the opposition overestimated its value. Thus Lord Walsingham declared that England annually shipped to Canada goods to the value of £500,000 while he estimated the imports from Canada to England to be nearly half that amount.<sup>2</sup> The real value of the Canadian trade was somewhere between these two extremes. The returns of Indian trade licenses clearly indicate that the total annual exports to Canada exceeded

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XXIII.,

<sup>1</sup>Hansard, Parliamentary History, 409. In studying these figures, one is almost tempted to conclude that Shelburne had in mind only the exports from that part of Canada which had been ceded to the Americans. But the language of his speech as reported in the Parliamentary History leaves little room for doubt that he was considering the trade of Canada as a whole. At least his colleagues understood that to be his meaning. See remarks of Lord Loughborough, ibid., 423.

<sup>2</sup>Ibid., 383.





£140,000, while the value which Shelburne placed upon the imports from that province was altogether too low.<sup>1</sup> Moreover, the comparison instituted between the value of the trade and the expense involved in preserving it was hardly a legitimate one, for it is altogether likely that the prime minister made his estimate of the expense of maintaining the western posts on the basis of conditions as they had existed during the war. Still, it is impossible to say in contradiction to his argument, that the fur trade really was worth the expense of preserving it, without more evidence than is available. Shelburne's defense of that portion of the treaty which concerned the boundaries was of a rather superficial character and his statements should not be taken too seriously. They were simply convenient arguments used in an attempt to silence for the time being the opponents of the terms of peace. It would appear on the other hand that Lord Hawke stated the case of the administration more fairly and much more effectively when he asked whether a monopoly of the fur trade was after all of so much importance when it might not only cause another war, but would be sure to alienate the people whose good will had been purchased at the price of independence.<sup>2</sup>

Some notes outlining an argument in favor of the treaty, found in the Shelburne papers, are of interest in this connection.

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<sup>1</sup>According to the return of licenses granted in 1782, the value of the goods exported to the Indian country for the purpose of trade alone was something over £184,000 currency. These goods by no means included all of the exports from Great Britain to Canada.

<sup>2</sup>Hansard, Parliamentary History, XXIII., 389.



Whether or not they are Shelburne's own arguments they doubtless come nearer indicating his true sentiments with regard to the value of the commerce of the ceded territory than his speech in parliament.<sup>1</sup> According to the brief contained in these notes, the fur trade was an industry of a temporary nature and one in which it was difficult to prevent competition. It would be impossible and absurd to endeavor to maintain any trade by means of forts, naval establishments, or presents, particularly that of Canada; and, moreover, no merchant would be willing to accept the province and its trade on condition that he bear the expense incidental to the war. With regard to the value of the exports from England to Canada, the gross amount including all branches of commerce had only been about £200,000 annually for the eleven years preceding the war.<sup>2</sup> If the amount of this outgoing trade had increased during hostilities, it was only because of the supplies which the presence of the army and the naval establishment in the West demanded. During the war, moreover, Canada was the only channel for the Indian trade, while the restoration of peace would open other routes through the American colonies, and

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<sup>1</sup>Lansdowne MSS., vol. 87, pp. 224, 225; 209-214.

There are two papers containing notes on the treaty, one of which is endorsed "Particular Arguments," while the other is entitled "Remarks on y<sup>e</sup> American Preliminaries." The latter is included in a bundle of papers labeled "Arguments for the Peace. Notes for a Speech." It is very likely that these are Shelburne's own notes. Their general import is similar to his argument in parliament, though there is some difference in detail.

<sup>2</sup>Compare this estimate with Shelburne's declaration in parliament that the annual value of the exports from England to Canada was only £140,000. Ante, p. 90.





whatever the boundaries of the province might be, the Indians themselves would seek the market which they should find most advantageous. On the other hand it was very probable that British traders would be allowed free access to the territory of the United States, it being even possible that their commerce might be carried on through the communication by way of the Hudson River. The arguments outlined in these notes seem to have been based upon conviction and sound judgment and are interesting inasmuch as they serve to indicate the views of the administration with regard to the probable future status of the fur trade under the terms of peace.

The views of the opposing political parties with respect to the boundary provisions of the treaty are quite apparent from the debate in parliament. The opponents of the measure pointed to the commanding position occupied by British forces in the Great Lakes' region and denounced what they regarded as the needless surrender of a vast territory,- the source of a rich and profitable trade which was then flourishing as never before. On the other hand, the government of which Lord Shelburne was the leader and spokesman regarded the possible conciliation of the former colonies as far outweighing any commercial benefits which might otherwise accrue to British merchants from the ceded territory. His position is nowhere more clearly stated than in a letter written years later to William Jackson, in which, referring to the surrender of the western posts, he says, "I cannot express to you the satisfaction I have felt in seeing the forts given up.





I may tell you in confidence what may astonish you, as it did me, that up to the very last debate in the House of Lords, the Ministry did not appear to comprehend the policy upon which the boundary line was drawn, and persist in still considering it as a measure of necessity not of choice. However it is indifferent who understands it. The deed is done; and a strong foundation laid for eternal amity between England and America."<sup>1</sup>

Before the parliamentary debate took place, news of the terms of the provisional articles had called forth vigorous protests from the merchants engaged in the fur trade, as well as British officers who were familiar with the region which had been ceded to the Americans, the purpose of which was to persuade the ministry to adopt measures which should guarantee the commercial welfare of Canada. In October of 1782, even before any definite news could have reached him concerning the probable terms of the treaty, Haldimand sent a letter to Townshend in which he urged that in case peace were concluded with the colonies, Niagara and Oswego might be retained by Great Britain in order to ensure control of the fur trade.<sup>2</sup> Haldimand was of the opinion that as soon as the war was over, the Americans would make an effort to turn the trade into the old route by way of the Mohawk River and Albany.

The British merchants who were engaged in the Canada

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<sup>1</sup>Shelburne to Jackson, March 5, 1797. Extract in Fitzmaurice, Life of Shelburne, II, 201, note 2.

<sup>2</sup>Haldimand to Townshend, October 25, 1782, Michigan Pioneer and Historical Collections, X., 668.



trade took care that the ministry should not neglect their interests because of any ignorance of the degree to which their commerce would be affected by the treaty. Late in January of 1783 a memorial signed by six merchants trading to Canada was sent to Lord Shelburne;<sup>1</sup> it enumerated the forts and carrying places that were given up according to the terms of the treaty and called attention to the fact that the article stipulating for the free navigation of the Mississippi was of little value because no provision was made for free communication between that stream and the Great Lakes and no permission was given British traders to land goods on either the Spanish or American banks of the river. The effect of the treaty they declared would be to cut off entirely the fur trade from the province of Quebec.

At about the same time, the London merchants likewise conferred with Oswald, who had conducted the treaty negotiations on behalf of Great Britain.<sup>2</sup> They made the same representations to him as were contained in the memorial to Lord Shelburne, add-  
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<sup>1</sup>Representation of Canada Merchants to Lord Shelburne, Lansdowne MSS., vol. 72, pp. 459-462. The memorial was signed by the following "Committee of Canada Merchants:" Messrs. Rashleigh, Strahan, Elliot, Sanson, Todd, and Paterson. The Todd and Paterson whose names appear were probably identical with the Montreal merchants of that name who were engaged in the northwest trade, for the names of Isaac Todd and Charles Paterson were signed to a memorial drawn up a few days later. They appear to have been in England at this time, working with their London correspondents to secure a change in the boundaries.

<sup>2</sup>An account of this interview, apparently in Oswald's own words, is to be found in the Lansdowne MSS., vol. 87, pp. 215-218 and in the Chatham MSS., Bundle 343. The manuscript in the former collection bears the following endorsement: "Sundry Observations on ye American Treaty, 6th February, 1783."





ing that they had about £200,000 worth of merchandise in the Indian country which according to the terms of the treaty was left at the mercy of the Americans, inasmuch as the latter would be able to prescribe the conditions under which it should be sold. Oswald replied that there was nothing in the treaty which could operate to shut off the trade of the British merchants, as the Indians might carry their furs to market on either side of the boundary and the Americans could not prevent them even were they so inclined. As to the carrying places which were pointed out to be within the American line, there was nothing in the treaty which could prevent the British traders from making free use of them. So far as the goods of the merchants were concerned, they were in no more danger than if they were in England.

Oswald's reply on the subject of the posts is of particular interest, as he seems to hint at the possibility of England's retaining possession of them, notwithstanding the terms of the treaty. Perhaps it will be well to quote his memorandum upon the subject, in which he says, "The Forts are garisoned by Troops from Quebec: being designed for the Security of the Merchandize at those Depôts, the Americans will be thankful to be saved the Expence of those little Garrisons; and cannot grudge the benefit of common protection to the English-or we may carry the Garrisons to our Side the Lake or Water passage,- if we think proper to remove them."<sup>1</sup> From this statement it is clear that Oswald, at

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<sup>1</sup>Italics my own.



least, even before the signing of the definitive treaty, regarded the retention of the frontier posts as a possibility,

After outlining the objections of the merchants to the treaty and his own replies thereto, Oswald continued in his memorandum as follows: "In some such manner as above, I replied to the Sundry Objections of the Canada Merchants. And I took the liberty besides, in the way of conversation to tell them, That I was sensible their Trade would take a different turn hereafter--as the peace would let in many competitors upon them, as well Americans as English; and so as their Furs would cost them at least 50 p cent more; As soon as it was known in America that the War was over, and the people in New York & Philadelphia were supplied in merchandize fit for the Indian Trade. But this was all fair--They (the Americans) had no view to a monopoly--They could not maintain it, any more than we could, as the Indians could go to either side at their pleasure with as little difficulty, as one may go out of Middlesex into Essex." Oswald reported that the American commissioners, in all the conversations he had had with them, professed a strong desire that friendly commercial relations might subsist between the English and the Americans. He informed the merchants that the first plan of a treaty, sent over in October, contained a clause declaring that, with regard to commercial privileges, an Englishman in America should be considered as an American, and an American in England as an Englishman, but that the ministry had thought proper to leave the matter to be settled by a treaty of commerce. He showed the merchants a du-





plicate of this original proposal, with which they professed to be satisfied although at the same time suggesting that Oswald carry a memorandum stating their wishes to the American commissioners at Paris, in order that the latter might recommend Congress to enact measures which should ensure the safety of their property in the Indian country. Oswald promised to take charge of their memorandum and to call the attention of the commissioners to the matters contained therein. He proposed, however, to make the recommendation as coming from himself rather than from the merchants, in order that the commissioners might not receive the impression that the English people doubted their good faith. Oswald says that the merchants promised to inform "the Minister," doubtless meaning Lord Shelburne, that they were perfectly satisfied.

The replies of both Shelburne and Oswald to these representations served to convince the merchants that there was no possibility of securing a change in the boundary line between the United States and Canada. In spite of their professions to Oswald, they do not appear to have been completely reassured concerning the safety of their effects in the Indian country. Very soon after the conversation which has just been described, a group of merchants interested in the Canada trade met at the New York Coffee House in London and drew up another memorial to Lord Shelburne.<sup>1</sup> Along with the petition they submitted certain proposals

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<sup>1</sup> Canada merchants to Lord Shelburne, February 6, 1783. Lansdowne MSS., vol. 72, pp. 455-458. The memorial was accompanied by a paper entitled "Regulations proposed by the Merchants interested in the Trade to the Province of Quebec to secure and withdraw their property dispersed throughout that part of the Province now about to be ceded to the United States of America." Ibid., vol. 72, pp. 463-466.





which they wished to be inserted in the definitive treaty with the United States, or, if that were impossible, to be made the subject of a separate treaty. The first proposal was to the effect that the western posts should be retained by Great Britain for a period of three years, in order that British traders might have time to settle their affairs and withdraw their goods and property from the Upper Country. The merchants urged this measure on the ground that if the posts were surrendered at once, there was grave danger that the Indians, led by hope of plunder and by a feeling of resentment toward the British for having given up their lands, would fall upon the traders and their property. They incidentally pointed out that on this account it would be to the interests of the Americans themselves not to try to take possession of the posts at once. The second article proposed that after the withdrawal of the garrisons, both British and Americans should enjoy equal privileges in the transportation of goods across the different carrying places and in the navigation of the lakes and rivers in the Indian country.

The appeals and protests of the merchants who were interested in the fur trade awoke little response in Shelburne, who belittled the importance of the ceded territory in Parliament and evinced a strong desire to conciliate the United States, even though to do so might involve British commercial interests to a certain extent. He was in all probability the less dis-

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posed to give serious heed to their representations since he must have felt that he was losing ground before the attacks of the opposition. On February 21, four days after the debate in parliament, a vote of censure on the articles of peace was carried in the House of Commons 207 to 190. The cause of the ministry was lost and on February 24, Shelburne resigned. A few days later, on April 2, the new ministry was called to power, the Duke of Bedford becoming nominal head of the government, though the real control of affairs rested with Fox and North, who became secretaries of state.<sup>1</sup> The new ministers were men of very different political principles from those to which Shelburne subscribed. Lord North, in particular, had never been famed for any desire to conciliate the former subjects of Great Britain, and it has already been noted how he protested in parliament against the surrender of the posts on the Great Lakes, upon which so much money had been spent and which were so essential to the control of the fur trade.<sup>2</sup>

The new ministry apparently listened more willingly to the proposals of the merchants interested in the Canada trade than did that of Shelburne. Very soon after coming to power, Fox sent to David Hartley, who was then conducting the negotiations at Paris on behalf of Great Britain, a copy of the memorial submitted by the merchants, with instructions that the consent of

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<sup>1</sup>Winsor, Narrative and Critical History of America, VII, 162; Hunt, Political History of England, 1760-1801, pp. 244, 245.

<sup>2</sup>Ante., p. 88.





the American commissioners be obtained if possible.<sup>1</sup> These proposals were practically identical with those which had been submitted to Shelburne, suggesting that the posts be retained by Great Britain for a period of three years, and stipulating for the free use of the water communications and carrying places after their surrender. A third article was added, however, to the effect that no tax or impost should be laid upon any articles passing through the Indian country. Hartley was directed to obtain the consent of the American commissioners to all or any of these three proposed regulations. He undertook the negotiations in accordance with his instructions and on June 19, delivered to the American commissioners a series of proposals which he called "Memorandums for the definitive treaty."<sup>2</sup> These memoranda embodied six articles which were to be considered with a view to **incorporation** in the definitive treaty.<sup>3</sup> Three of the articles dealt with the matters treated of in the memorial of the merchants. They provided for free participation in the carrying places and free navigation of the lakes and streams along the boundary; the retention of the posts for a period of three years by British garrisons in order to ensure the safety of the traders and their effects against Indian depredations; and a free and open trade in the Indian country,

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<sup>1</sup>Fox to Hartley, April 10, 1783. P.R.O.<sup>F.O.</sup> class 4, vol. 2, p. 17.

<sup>2</sup>Hartley to Fox, June 30, 1783. P.R.O.<sup>F.O.</sup> class 4, vol. 2, p. 191.

<sup>3</sup>For the text of the articles submitted by Hartley, together with the reply of the American commissioners, see Sparks, Diplomatic Correspondence, V, 518, 519.



unrestricted by any duties upon the goods used therein. In formulating his memoranda, Hartley went beyond what the merchants had requested of Lord Shelburne. He added two articles which guaranteed to the inhabitants of the border posts the enjoyment of their civil rights and the privilege of pursuing unmolested their respective occupations. These articles were of course designed to protect the merchants of Detroit, and enable them to carry on their trade after the terms of the treaty had been fulfilled.

The American commissioners were unwilling to concede all these demands. They agreed to the free navigation of the lakes and rivers by the subjects of both countries, but suggested that regulations concerning roads and carrying places, as well as the matter of duties on goods, be left to a commercial treaty. They would only agree to allow the posts to be garrisoned by the British until Congress should give notice to evacuate and send an American force to occupy them. They agreed to Hartley's proposals concerning the civil rights and commercial privileges to be enjoyed by the inhabitants of the posts; but the concession was to be temporary, only two years being allowed the merchants for settling their affairs after they were given notice to leave. Negotiations concerning the supplemental articles which it was proposed to incorporate in the treaty dragged on for another month at Paris, but without result. Franklin and Jay, referring to this subject in a dispatch to Robert Livingstone dated July 27, 1783, said, "And we are of opinion, that finally we shall find it best to drop all commercial articles in our definitive treaty, and leave every





thing of that kind to a future special treaty, to be made either in America or in Europe, as Congress shall think fit to order."<sup>1</sup> Thus the question as to the status of the fur trade was left open for future settlement.

The definitive treaty was signed September 3, 1783, its provisions being identical with those of the preliminary articles with the exception that the separate article relating to the boundary of West Florida was omitted.<sup>2</sup> Two months later Hartley submitted to Fox a schedule of the articles which had been under consideration during the negotiation of the definitive treaty, but which had been left for future settlement.<sup>3</sup> Three of them, designated "P," "Q," and "R" had to do with the questions affecting the status of the fur trade which have just been discussed. Article "P" provided for the free navigation of the lakes and rivers along the boundary by subjects of the United States and Great Britain and for free use of the carrying places located on either side the line; "Q" provided that all persons residing in places within the borders of the United States which were occupied by the British during the war, or having property there, should remain unmolested in the enjoyment of their civil rights; "R" was to the effect that British garrisons should be allowed to re-

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<sup>1</sup> Sparks, Diplomatic Correspondence, V, 526.

<sup>2</sup> For the text of the definitive treaty, see Malloy, Treaties and Conventions, I, 586.

<sup>3</sup> Hartley to Fox, November 1, 1783. P.R.O.<sup>F.O.</sup> class 4, vol.2, p. 477. The articles under consideration are found in *ibid.*, p.481.





main in the frontier posts until Congress gave them notice to evacuate and American garrisons arrived in order to protect the lives and property of the settlers against possible Indian depredations.<sup>1</sup> In concluding his letter to Fox accompanying these memoranda, Hartley said, "I have only one remark to add, which is, that two of the Articles, viz Q and R, seem to require some speedy settlement, for the purpose of giving immediate security to the persons, properties, & rights of the british merchants, now engaged, or likely to be engaged in the trade to Canada and upon the waterline of division, between the territories of G Britain, & those of the United States. By any unnecessary delay in negotiating these articles, we may loose an opportunity of recovering very material advantages in the fur trade of Canada, and of the neighbouring Countries."

Thus the definitive treaty left unsettled a number of matters very closely affecting the interests of the merchants engaged in the Canadian fur trade. It will be readily understood that it was of great importance, from their viewpoint, that British garrisons should remain in control of the Great Lakes until these matters had been satisfactorily arranged with the government of the United States. Whether the British ministry had any definite policy with regard to the northwest posts when the definitive

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<sup>1</sup>The third article, Hartley said had been originally submitted by himself and agreed to by the American commissioners; but it will be noted, however, that his proposal was that the British should retain the posts for a period of three years.



treaty was signed, it is impossible to say with authority. On the other hand, it is extremely probable that the ministry never for a moment contemplated the evacuation of the posts until the status of affairs in the Northwest had been clearly defined by treaty. In view of the critical state of the Indian situation and the vigorous representations of the merchants concerning the probable consequences of an early evacuation, it is practically certain that the British government intended to retain the posts until the security of the fur traders and their effects had been assured. The controversy over the frontier posts which played such an important part during the following decade may very properly be said to have had its origin in July of 1783, when it was decided to exclude articles defining the status of the Northwest from the definitive treaty, and to leave the matter to a commercial convention.<sup>1</sup>

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<sup>1</sup>Robert Hunter, one of the most prominent of the London merchants engaged in the fur trade, makes some rather illuminating statements in a letter to Haldimand, dated March 27, 1783. He says "The shamefull terms of peace that have been submitted to will particularly affect your Province--no person had the most distant Idea that the Americans wou'd ask, or that we shou'd give them the principal part with the Fur trade--as soon as this Article came to the knowledge of the Merchants, we applied to the Ministry for redress.--& have been told that the Boundary line cannot be alter'd--but that an equal participation of the Lakes carrying places &c will be allowed the British Subjects with those of the United States--of this however I am very doubtfull. They have also promis'd that the garrisons shall not be withdrawn from the Upper Posts for two years that the Merchants may have time to settle their Affairs--& bring away their Effects." Canadian Archives, series B, vol. 75-1, p. 43. Thus as early as March, 1783, the retention of the posts was regarded as a probability, though at that time it was doubtless expected that the matter might be settled in the definitive treaty.





Mention has been made in the preceding pages of the critical situation of Indian affairs in the Northwest, as a result of which those who were engaged in the Canada trade manifested great anxiety concerning the course which would be followed by the tribes in the Great Lakes' region when they should learn the terms of the treaty. The merchants had just cause for alarm; their goods were distributed in remote parts of the Upper Country, far from the possibility of aid in case of trouble. Pontiac's Conspiracy had taught them what to expect in case the savages should be aroused to hostilities; in case of a general Indian war, the situation of the larger posts themselves would be none too secure. The Indians on the other hand had good reason for anxiety, since they had for years been alarmed at the encroachments of settlers from the seaboard colonies upon their hunting grounds. The treaty of Fort Stanwix, concluded in 1768, had been designed to establish a modus vivendi between the Indians and the whites, and had reserved to the former a vast area in which they were to be allowed to live and hunt unmolested. Consequently, when rumors of peace between ~~the~~ Great Britain and the United States began to arrive in America, the Indians at once displayed considerable apprehension concerning their status under the new treaty. Early in 1783, the Wyandots in a speech to the commandant at Detroit expressed the desire that if a treaty were being negotiated, they might be remembered therein.<sup>1</sup> British officers realized the

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<sup>1</sup>Indian Council at Lower Sandusky, April 19, 1783.  
Michigan Pioneer and Historical Collections, XI., 354.



justice of the Indians' complaints and expressed regret that Oswald had not been instructed to inform the American commissioners that Great Britain had no power to dispose of the lands reserved for the natives by the Treaty of Fort Stanwix.<sup>1</sup> When the Indians heard the terms upon which peace would probably be concluded, they felt that they were being delivered into the hands of their enemies and the result was a wave of resentment against the British, for whom they had fought throughout the war.<sup>2</sup> The ministry was fully aware of the gravity of the situation, from the representations of the merchants already referred to. On February 28, 1783, Townshend instructed General Haldimand to take all necessary precautions in order to ensure the safety not only of the officers of the Indian department, but also of the traders and their property.<sup>3</sup>

When news of the provisional articles arrived in America, the first task of the British was to turn the minds of the Indians from war to more peaceful occupations. A messenger was sent to Prairie du Chien in 1783 to endeavor to persuade the tribes in that quarter to devote themselves to their hunting, and a trader was sent down among the Wabash Indians for the same purpose.<sup>4</sup>

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<sup>1</sup>Claus to Blackburn, June 14, 1783. Claus Papers, III, 223.

<sup>2</sup>Indian Council at Detroit, June 28, 1783, Michigan Pioneer and Historical Collections, XI, 370; McKee to De Peyster, September 8, 1783, ibid., 385; Robertson to Mathews, September 7, 1784, ibid., 453.

<sup>3</sup>Thomas Townshend to Haldimand, February 28, 1783, Canadian Archives, series B. vol. 50, p. 117.

<sup>4</sup>Robertson to McBeath, April 25, 1783, Michigan Pioneer and Historical Collections XI, 360; De Peyster to Haldimand, May 3, 1783, ibid., 363.





Haldimand made strong efforts to allay the fears of the Indians while awaiting the news of the definitive treaty. Sir John Johnson was instructed to send one Calvé, an interpreter in the Indian department, with a message to the tribes in the neighborhood of Michillimackinac, assuring them that the King still regarded them as his children and allies and would continue their intercourse with his traders. A similar message was to be carried to the tribes dependent upon Detroit.<sup>1</sup> Haldimand himself assured Joseph Brant, who represented the Six Nations, that their interests would not be forgotten.<sup>2</sup> Johnson carried a message to the Six Nations in July, informing them that there was no intention, according to the terms of the treaty, of depriving them of the lands which had been reserved to them by the Treaty of Fort Stanwix; nor did he believe the Americans would make an attempt to take their hunting grounds upon any pretense of having conquered them.<sup>3</sup> Alexander McKee also delivered a message of similar import to the Indians in the neighborhood of Sandusky.<sup>4</sup> The removal of certain of the tribes to Canada was contemplated as one way out of the difficulty, and Lord North authorized Haldimand to allow any friendly Indians to withdraw from the United States and occupy

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<sup>1</sup>Haldimand to Johnson, May 26, 1783, British Museum, Additional MSS., 29237, fo. 36; Claus to Mathews, July 7, 1783, Claus Papers, IIL, 231.

<sup>2</sup>Haldimand to Brant, May 27, 1783, Claus Papers IIL, 243.

<sup>3</sup>Johnson to the Six Nations, July 23, 1783, Claus Papers IIL, 245.

<sup>4</sup>Transactions with Sandusky Indians Relative to Peace, August 26, 1783. Michigan Pioneer and Historical Collections, XX, 174 et seq.





lands within the province of Quebec. From thence it was hoped that they might be able to hunt on their old grounds, returning to Canada with their furs, where they might carry on a trade with British merchants free from all interruption.<sup>1</sup>

The summer of 1783 passed without any serious disturbance on the part of the Indians, but late in the year, Haldimand regarded the situation as still critical. In a letter to Lord North he expressed a belief that there was still danger of an Indian war. He believed that the surest means of averting such a catastrophe would be to allow the posts to remain for some little time in the hands of the British. He strongly recommended that the territory reserved by the Treaty of Fort Stanwix be set aside for the Indians, that settlers from both the United States and Canada be excluded therefrom, but that the traders of both countries be allowed to go where they pleased.<sup>2</sup> These three suggestions of Haldimand's, the retention of the posts for an indefinite period, the establishment of an Indian barrier, and free commercial intercourse with the Indians, were prophetic of British policy with regard to the Northwest throughout the following decade and during the negotiations which preceded the Jay Treaty.

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<sup>1</sup>North to Haldimand, August 8, 1783. Canadian Archives, series B, vol. 45, p. 115.

<sup>2</sup>Haldimand to North, November 27, 1783. Canadian Archives, series B, vol. 56, p. 199.



## CHAPTER IV.

British Trade Monopoly, 1783-1796.

When rumors of peace between Great Britain and the United States began coming to the ears of General Haldimand in the spring of 1783 he grew more and more suspicious concerning possible designs of the Americans upon the posts and the fur trade - his idea apparently being that the latter would endeavor to extend their authority as far as possible into the Indian country so as to be in a position to negotiate a treaty which should secure them commercial advantages in the Great Lakes' region. Several months before the signing of the definitive articles, he warned Major Ross, the British officer in command at Oswego, to be on his guard against attempts to gain possession of that post, which it was to be feared the Americans would make in order to secure control of the Albany communication to the Upper Country.<sup>1</sup> Though there is little indication that the United States government was entertaining hostile designs against the posts at this time, Haldimand's forebodings with regard to the desire of American traders to enter the Northwest were not without foundation. On August 1, 1783, three bateaux from Schenectady arrived at Niagara loaded with rum to be traded at the upper posts, the appearance of which occasioned a vigorous protest from the merchants at that place who saw in the event the beginning of a dangerous competition.<sup>2</sup> It is hardly necessary to say that the commander

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<sup>1</sup>Haldimand to Ross, March 11, 1783. Canadian Archives, series B, vol. 124, p. 83; Haldimand to De Peyster, March 12, 1783, Michigan Pioneer and Historical Collections, XI, 351.

<sup>2</sup>Memorial of Niagara Merchants, August 1, 1783. Canadian Archives, series B, vol. 96-2, p.265.





at Niagara refused to allow these traders to proceed to the Upper Country, and when Haldimand learned of the event a couple of weeks later, he issued orders to the effect that all persons coming from the United States to treat with the Indians or to trade with them should be turned back.<sup>1</sup> In the latter part of 1783, American traders likewise appeared in the Genesee country south of Lake Ontario, but the Iroquois residing in that region were advised by Brant and other chiefs in the vicinity of Niagara to have no dealings with the newcomers until peace had been concluded between the Americans and the Indian nations. Meanwhile, General Haldimand was anxiously awaiting definite instructions from England which should determine what commercial intercourse might be allowed between the upper posts and the United States.<sup>2</sup>

The Americans lost not a moment in making an effort to secure the surrender of the forts which according to the terms of the provisional articles of peace were included within their boundaries.<sup>3</sup> In July of 1783, even before the signing of the definitive treaty, Washington at the request of Congress opened negotiations with Haldimand, when General Steuben was sent to arrange the transfer of the posts on behalf of the United States. Haldimand refused to take any measures looking toward their

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<sup>1</sup> Maclean to Haldimand, August 1, 1783, Michigan Pioneer and Historical Collections, XX, 158; same to same, September 13, 1783. Canadian Archives, series B, vol. 103, p. 352; Mathews to Harris, August 15, 1783, ibid., vol. 128, p. 123.

<sup>2</sup> Hoyes to Mathews, January 5, 1784, Canadian Archives, series B, vol. 103, p. 419; Mathews to Hoyes, March 29, 1784. Michigan Pioneer and Historical Collections, XX, 215.

<sup>3</sup> Jefferson in 1791 enumerated the following posts within American territory as being garrisoned by British troops: Michillimackinac,



evacuation on the ground that he had received no instructions from England<sup>1</sup>. In the absence of any authority and especially since the definitive treaty had not yet been signed, his action was very proper, although it is evident that he was personally very loath to surrender the posts to the Americans. Writing to Lord North in August of 1783, he pointed out that the longer evacuation should be delayed, the better opportunity would be given the traders in the Upper Country to secure their property and withdraw, while at the same time the Indians might be reconciled to the terms of the peace, concerning which they were very indignant. He naïvely assumed the position that it would be advantageous to the Americans for the British to continue in possession for awhile, in order to avoid the danger of an Indian war; but that his motives were not altogether altruistic is evinced by his calling attention to the effort of the Schenectady traders to enter the Northwest, an attempt concerning which he was the more indignant as he believed it had the official sanction of Washington.<sup>2</sup>

The first indication that the British ministry had formulated anything like a definite policy with regard to the question

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Detroit, Niagara, Oswego, Oswegatchie, Point au Fer, and Dutchman's Point, Jefferson to Hammond, December 15, 1791, American State Papers, Foreign Relations, I, 190. There were numerous trading posts, dependencies of those above enumerated, in which no regular garrisons were maintained.

<sup>1</sup>Washington to Haldimand, July 12, 1783, Michigan Pioneer and Historical Collections, XX, 141; Steuben to Haldimand, August 3, 1783, ibid., 161; Haldimand to Washington, August 11, 1783, ibid., 165.

<sup>2</sup>Haldimand to North, August 20, 1783, Canadian Archives, series E, vol. 56, p. 125.





of evacuating the posts appears in a letter written by Lord Sydney on April 8, 1784, in which he expressed his approval of Haldimand's conduct in refusing to surrender the posts to Steuben the preceding summer and continued: "The seventh article stipulates that they should be evacuated with all convenient speed, but no time is fixed, and, as America has not, on her part, complied with even one article of the treaty, I think we may reconcile it in the present instance to delay the evacuation of these posts, at least until we are enabled to secure the traders in the interior country and withdraw their property."<sup>1</sup> It will be noted that this decision relative to the posts was in line, not only with Haldimand's suggestion of the preceding fall, but also with the recommendations of the London merchants interested in the Canada trade, discussed in the preceding chapter. Hartley had suggested to Fox, by implication at least, that before the evacuation of the posts, some treaty arrangement should be made with the Americans for determining the status of the traders in the ceded territory.<sup>2</sup> There appears to be no question that almost from the very beginning, the British ministry had determined not to evacuate the posts until a treaty had been negotiated. But in spite of the apparent anxiety of both Haldimand and the British ministry concerning the welfare of the traders and their effects in the event that the posts should be evacuated, no effort was made to induce those who were in the Indian country to wind up their affairs or

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<sup>1</sup>Sydney to Haldimand, April 8, 1784, Canadian Archives, series B, vol. 45, p. 129.

<sup>2</sup>Ante, p.104.



to prevent additional goods being sent up from Montreal.<sup>1</sup> The negotiation of a treaty would necessarily involve considerable delay, so there was no particular necessity for ordering the traders to withdraw until such time as the whole matter should be settled, there being no reason why Great Britain should not continue to enjoy the benefits of the fur trade so long as possible. The fact that the Americans on their part had not fulfilled the terms of the Treaty of Peace afforded a plausible excuse for not evacuating the posts<sup>2</sup>; and moreover, it should be remembered that the ministry which refused to surrender the posts in 1784 was not actuated by the same motives and ideals as that of Lord Shelburne, which had negotiated the provisional articles two years previously. It was no longer a part of the policy of the British government to conciliate the former colonies.<sup>3</sup>

<sup>1</sup>The practice of issuing licenses to traders, permitting them to carry goods to posts within American territory, continued just as before the arrival of news of peace negotiations. The value of the goods for which passes were issued in 1783, when there was such great apparent anxiety concerning the welfare of the traders, was £226,922 currency, as opposed to a little over £184,055 the preceding year. Returns of Indian Trade Licenses. It would appear that Haldimand either anticipated that the posts would be occupied by the British for some time to come, or else he desired to create an additional pretext for delaying their evacuation.

<sup>2</sup>McLaughlin, "The Western Posts and the British Debts", American Historical Association Report, 1894, p. 418.

<sup>3</sup>While it is true that the coalition ministry led by North and Fox had concluded the definitive treaty, still North had opposed the provisional articles. The fact is that neither the coalition ministry nor that of Pitt which followed, was so inclined to conciliate the United States as the government of Shelburne had been.





Early in 1784, the Senate of New York expressed uneasiness concerning the effect which the retention of the posts by the British might have upon the trade of that state<sup>1</sup>; and in the following March, Governor Clinton sent Colonel Fish to Quebec to request Haldimand that as soon as instructions were received from England, he should notify the state of New York of the intended evacuation of the posts situated within its borders which included Oswego and Niagara, the keys to the northwest fur trade. General Haldimand, however, had no difficulty in evading this request.<sup>2</sup> One more demand was made for the evacuation of the posts in June of the same year, when General Knox, secretary of war, sent a letter to Haldimand by Colonel Hull, who was empowered to negotiate the transfer.<sup>3</sup> This demand being refused, no further efforts were made to effect the surrender of the posts except by diplomatic representations to the British ministry itself, which will be the subject of a later chapter.

By autumn of the year 1784, it had become apparent to the British authorities in Canada that the western posts would probably be retained for an indefinite period,<sup>4</sup> and consequently the strictest measures were taken to ensure a continuation of the fur trade monopoly which British merchants enjoyed at the close

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<sup>1</sup>The Senate declared that it would be vain to hope that the posts would protect the frontier settlements " & our Fur Trade, which Constitutes<sup>2</sup> Valuable Branch in our Remittances". Answer of the Senate of New York to Governor Clinton's Speech, from the Independence Gazette, January 29, 1784, Canadian Archives, series B, vol. 175, p. 235.

<sup>2</sup>McLaughlin, "The Western Posts and the British Debts", American Historical Association Report, 1894, p. 415.

<sup>3</sup>June 13, 1784, Michigan Pioneer and Historical Collections, XX, 230.

<sup>4</sup>Mathews to Robertson, August 12, 1784, ibid., 243.





of the war. Though it is extremely probable that the Americans looked with longing eyes upon the rich commerce of the Great Lakes' region, from which they had been excluded for so long and which the terms of the treaty had led them to expect would soon be opened to them, there is on the other hand little question that British officers exaggerated the danger that their southern neighbors might attempt to seize the northwest posts, particularly those which controlled the Hudson River and Schenectady route to the Upper Country. Considerable anxiety was displayed, especially in 1784 and 1785, concerning what were thought to be the sinister designs of the Americans.<sup>1</sup> On the other hand, the British precautions are not surprising when it is remembered that prior to the Revolution the Albany and Mohawk River route to the Upper Country had rivalled the communication by way of Montreal and the St. Lawrence. Some persons were even of the opinion that the former route possessed superior advantages, since it was open to navigation in the spring nearly a month sooner than the latter; and the belief was expressed that if American traders were permitted to carry goods to the Upper Country by way of the Mohawk, they might reach the

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<sup>1</sup>Haldimand to DePeyster, October 15, 1784, Canadian Archives, series B, vol. 65, p. 52; Haldimand to St. Leger, November 14, 1784, series Q, vol. 24-1, p. 148; St. Leger to Hamilton, December 2, 1784, series S, Indian Affairs; same to same, December 9, 1784, *ibid.*; St. Leger to Sydney, May 7, 1785, series Q, vol. 24-2, p. 326.



market ahead of their Canadian rivals.<sup>1</sup>

The utmost vigilance was exercised in order to prevent merchandise from being carried into the Upper Country from the United States either by British or American merchants, and in 1785, Lieutenant Governor Hamilton considered it necessary to establish a customs officer at Oswego to prevent any trade from being carried on by way of the Mohawk River.<sup>2</sup> This southern gateway to the Northwest remained tightly closed, and when John Long, a British trader who had operated in the Great Lakes' region for a number of years, requested permission in the summer of 1785 to pass the fort at Oswego with a cargo of goods obtained at New York, he was refused and informed by the commanding officer that he had better turn back if he wished to avoid the seizure of his goods. Long's own words bear rueful witness to the vigilance of the British in watching the communication: "Notwithstanding this friendly advice, I was determined to run the risk, and, to my

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<sup>1</sup>"Memorandums of the present Political sentiment of the United States of America, with some remarks, on the Navigation of the St. Lawrence and Hudson's Rivers to the Upper Lakes, and general Observations on the Petition for a House of Assembly from the Province of Quebec." Endorsed, "Canada Affairs, [C.O. 42, from Major Ross, R. May 2, 1785." Canadian Archives Transcripts, vol. 17, p. 38.

<sup>2</sup>St. Leger to Sydney, May 7, 1785, Canadian Archives, series Q, vol. 24-2, p. 326. Canadian merchants at various times attempted to import goods into the Upper Country by way of the New York communication. Undated memorandum concerning the trade of Quebec, Lansdowne MSS., vol. 88, 1785-1789, p. 67; Minutes of the Executive Council of Quebec, April 4, 1786, Canadian Archives, series Q, vol. 26-1, p. 263; Ellicott to Mathews, February 16, 1784, series B, vol. 75-2, p. 26.





extreme mortification, they [his goods] were all seized by the customhouse officers, by them deposited in the king's warehouse, and afterwards condemned."<sup>1</sup>

Of scarcely less importance to British commerce than the exclusion of foreign traders and their goods from the Indian country were the measures taken to prevent furs from being sent to the United States. The most effective of the regulations designed to prevent this evil was the one which prohibited private merchant vessels from navigating the lakes, thus compelling traders to transport their effects in the King's ships. During the Revolution, this rule had been enforced for the purpose of preventing supplies and munitions of war<sup>from</sup> falling into the hands of the enemy; now it was considered necessary in order to prevent peltry from being carried to the American market.<sup>2</sup> While the measure appears to have been reasonably effective in preventing the smuggling of furs into the United States, it was on the other hand a very serious inconvenience to the trade, because the King's vessels seldom afforded adequate transportation facilities, and as a result, there were very considerable delays, which involved the merchants in serious losses. Their goods often lay for months upon the carrying places at Niagara and Carleton Island, being

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<sup>1</sup>Long's Journal, 1768-1782, in Thwaites, Early Western Travels, II., 212, 213.

<sup>2</sup>Haldimand to the Merchants of Montreal Trading to the Upper Country, August 9, 1784, Canadian Archives, series B, vol. 64, p. 131; "Memorandums Respecting Public Matters in the Province of Quebec." Submitted to Lord Sydney by General Haldimand, March 16, 1785, series Q, vol. 25, p. 295.



sometimes delayed so long that they could not be sent out to the more remote trading posts until the following season. This aggravating state of affairs was made the subject of repeated representations on the part of the merchants, particularly those who were concerned in the trade at Detroit.<sup>1</sup> Those operating in the region beyond Lake Superior were likewise inconvenienced as they depended largely upon provisions carried on the lakes in sailing vessels.<sup>2</sup> Haldimand turned a deaf ear to all requests of the traders that they be allowed to navigate the lakes in their own vessels, but in the summer of 1785, while he was in England, there was some relaxation from his orders, the merchants being given permission to carry their goods in canoes and bateaux from Montreal to Niagara, though their ships were not allowed to sail Lake Erie.<sup>3</sup>

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<sup>1</sup>See, for example, the petition of the merchants interested in the Detroit trade, addressed to Lieutenant Governor Hay, July 15, 1784, Michigan Pioneer and Historical Collections, XI, 424; Memorial of Merchants of Montreal to Hamilton, July 11, 1785, Canadian Archives, series Q, vol. 25, p. 89; Petition and Representation of the Merchants of Detroit, July 16, 1785, Michigan Pioneer and Historical Collections, XI, 459. The merchants of Detroit declared that owing to the late arrival of their goods, more than one thousand packs of furs which under ordinary circumstances would have been brought to market at that place, were carried to New Orleans.

<sup>2</sup>McGill to Hamilton, August 1, 1785, Canadian Archives Report, 1890, p. 56; McGill to Finlay, August 8, 1785, ibid., 58; Benjamin Frobisher to Finlay, August 8, 1785, ibid., 59.

<sup>3</sup>For Haldimand's views, see "Memorandums Respecting Public Matters in the Province of Quebec", March 16, 1785. Canadian Archives, series Q, vol. 25, p. 295. The merchants made application to Lieutenant Governor Hamilton for relief. Hamilton referred the matter to the Legislative Council, which in turn left the decision to Brigadier General St. Leger, who was in command of the military establishment in Canada during Haldimand's absence. St. Leger to Sydney, May 7, 1785, Canadian Archives, series Q, vol. 24-2, p. 326; same to same, July 25, 1785, series Q, vol. 25, p. 156.





The restriction imposed by Governor Carleton was not entirely removed until 1788, when an ordinance was passed by the Legislative Council of Quebec, authorizing the merchants to transport goods and peltry in their own sailing vessels.<sup>1</sup>

But regulations affecting navigation were not the only measures considered necessary in order to preserve to Great Britain her monopoly. While peace negotiations were yet in progress, the London merchants showed considerable apprehension lest a large share of the fur trade which was then carried on by way of Canada should be diverted to New England and New York.<sup>2</sup> It is likely that a considerable part of the peltry obtained in the Northwest would have found its way to the United States instead of the London market if prompt measures had not been taken by the British. The former colonies would have afforded a convenient and profitable market as is shown by the fact that after the signing of the provisional articles of peace, numerous requests were made for permission to ship furs to the United States, which it is needless to say were uniformly refused. In 1788, the Legislative Council passed an ordinance expressly forbidding the exportation to the United States of furs of all sorts<sup>3</sup>, but the utmost vigilance

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<sup>1</sup>Quebec Ordinances, 1787-1790, p. 45.

<sup>2</sup>"Observations on the Trade which before the late War subsisted between Great Britain and that part of North America now composing the United States with such Regulations as appear proper to be adopted for the Recovery and Retention of a considerable Part of that Commerce." American Historical Review, XVIII, 774.

<sup>3</sup>Quebec Ordinances, 1787-1790, p. 38.



on the part of the British was necessary in order to prevent smuggling, as the court records for the district of Montreal indicate.<sup>1</sup> Considerable peltry was carried south by way of Lake Champlain, even so considerable a firm as that of Robert Ellice and Company of Montreal being concerned in this illicit traffic.<sup>2</sup>

Nothing will better serve to illustrate the character of the British monopoly of the fur trade and the effectiveness of the measures taken to preserve it, than to compare the feeble efforts of the United States to establish commercial relations with the Indians during the years from 1783 to 1796, with the flourishing trade carried on by Canadian merchants in the Northwest during the same period. As has been indicated, the trade of the northern colonies was practically ruined by the war, the hostility of the Indians and the impossibility of obtaining sufficient quantities of goods having proved an insuperable obstacle to the maintenance of any important commerce with the savages. The close of the Revolution found British merchants in almost complete possession of the fur trade of the Great Lakes' region, a situation which there was no indication would soon be altered, since the route leading from New York to the Upper Country was cut off by the British post at Oswego, while the unsettled state

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<sup>1</sup>Proceedings relative to seizure of smuggled furs, King's Bench, Register of Common Pleas, Archives of Montreal. In 1794, Lieut. Governor Simcoe declared that the smuggling of furs into the United States was rapidly increasing. As they were largely used in the manufacture of hats, he urged that hat manufactures be introduced in Canada, as the only means of putting a stop to the contraband trade. Simcoe to the Lords of Trade, December 20, 1794, Canadian Archives, series Q, vol. 281-1, p. 180.

<sup>2</sup>Mathews to Jordan, July 21, 1783, Canadian Archives, series B,





of affairs in the region northwest of the Ohio prevented the development of any extensive American trade in that quarter. The commerce which the French inhabitants of the Illinois country had enjoyed prior to the Revolution had been almost destroyed during the period of disorder which had attended the occupation of the region by the Virginians.<sup>1</sup> Notwithstanding the unfavorable aspect of the situation at the close of the war, the government of the United States realized the importance of trade as a means of maintaining friendly relations with the Indians. In 1786, Congress turned its attention to the matter and an ordinance was enacted dividing the Indian department into two districts, a southern and a northern, the former including the tribes living within the territory of the United States south of the Ohio River, while the latter comprised all the remaining tribes, dwelling north of the Ohio and west of the Hudson.<sup>2</sup> A superintendent was to be placed in charge of each district, with authority to appoint deputies who were to take up their residence in such places as might be most convenient for the regulation of the trade. By the terms of the ordinance, the privilege of carrying on commerce

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vol. 61, p. 153; Mathews to Messrs. Ellice & Co., February 2, 1784, ibid., vol. 63, p. 70; Mathews to Frobisher, May 10, 1784, ibid., p. 280; Haldimand to the Merchants of Montreal, August 9, 1784, ibid., vol. 64, p. 131; Campbell to Mathews, September 12, 1784, ibid., vol. 134, p. 355.

<sup>1</sup>St. Clair to the President, Smith, St. Clair Papers, II, 168.

<sup>2</sup>The ordinance was passed August 7, 1786, American State Papers, Indian Affairs, I, 14. A similar act was approved July 22, 1790. Though it differed in certain details from the ordinance of 1786, the essential provisions were the same. Annals of Congress, 1st Cong., 2241.



with the Indians was restricted to citizens of the United States and no one was to be permitted to trade without first obtaining a license.

Article 7 of the treaty at Fort Harmar, which was concluded on January 9, 1789, between the United States and the Wyandot, Delaware, Ottawa, Chippewa, Potawatomi, and Sauk tribes, contained provision for the establishment of a trade. These Indians promised to give protection to all traders licensed to come among them and also to have no dealings with any persons who should come among them without licenses. The government of the United States had from the beginning looked forward to the establishment of commercial relations with the Indians at such time as the posts should be surrendered by the British, and at the treaty of Fort Mackintosh, concluded between certain tribes and the Americans in 1785, reservations of territory in the Indian country were made, which it was intended should become sites for trading posts and these reservations were renewed at the treaty of Fort Harmar in 1789.<sup>1</sup>

Though there were a few American traders scattered throughout the country northwest of the Ohio, by far the larger share of the trade of the region was engrossed by the British, who continued to enjoy the political ascendancy over the tribes of this region which had been won during the Revolution. The United States government realized that vigorous measures must be taken in order to counteract the influence which the British possessed

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<sup>1</sup>American State Papers, Indian Affairs, I., 7; Winsor, Westward Movement, 268.





over the Indians by reason of their commercial ascendancy, Washington in particular emphasizing the importance of the whole matter. In his message of November 6, 1792, he dwelt upon the necessity of establishing a trade with the Indians upon a scale equal to their wants and under such regulation as might protect them from fraud, and he called attention to the matter again in 1793 in even stronger terms. He declared that next to a rigorous execution of justice upon those who violated the law, the establishment of a commerce with the various tribes on behalf of the United States was the measure most likely to secure their attachment, and recommended that the government itself undertake the building up of the trade, on the ground that while individuals would not engage in it unless a profit were to be obtained thereby, the government would be satisfied if it were merely reimbursed for the expense incident to such an undertaking.<sup>1</sup> Bills were at different times introduced in Congress looking toward the establishment of government trading houses, without success; but a step in that direction was taken in 1795, when Congress enacted that a sum not exceeding fifty thousand dollars should be appropriated to the purchase of goods for the Indian trade, the merchandise to be sold under the direction of the President.<sup>2</sup> The trade which was opened up in accordance with this act had to be confined to the southern tribes, however, as peace had not yet

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<sup>1</sup>American State Papers, Foreign Relations, I., 19, 22.

<sup>2</sup>Annals of Congress, 3rd Cong. 1532.



been established with those northwest of the Ohio and the disorder which prevailed precluded any trade experiments in that quarter.<sup>1</sup> After General Wayne had succeeded in breaking the power of the Indians at the battle of Fallen Timbers, he emphasized the necessity of measures providing for the Indian trade in the strongest terms, declaring that the British would retain their ascendancy over the savages until such time as the United States should establish trading houses, by means of which they could supply them with goods with as much facility and at as reasonable rates as their rivals. The forts which the Americans had built in the course of the recent campaign against the Indians would be convenient for the establishment of the proposed trading houses; and if in addition, posts were built at the mouth of the Miami and at Sandusky, he believed that the same degree of influence as was then possessed by the British could be obtained by the Americans. Continuing, with regard to this matter, he said:

"If my recollection serves me, the President has, more than once, recommended this measure to the serious attention of Congress; and without it is adopted, we can never expect a permanent peace with, or fidelity from the Indians."

"Could I, with truth and propriety, pledge myself to the hostile tribes, that this measure would be adopted, and that they would, with certainty, be supplied in this way, in the course of the ensuing spring, as well as in future, I am confident we should draw them over to our interest, notwithstanding every effort of

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<sup>1</sup>Report of the Secretary of War on the measures taken for opening a trade with the Indians, December 12, 1795, American State Papers, Indian Affairs, I, 583.





the British to prevent it;"<sup>1</sup> In the negotiations between General Wayne and the Indians preceding the treaty of Greenville, there were frequent references to commercial matters. Wayne promised the Indians that measures would be taken to supply their wants, for which they expressed their thanks<sup>2</sup>.

Finally, in 1796, Congress consented to try the plan which had been repeatedly urged by both Wayne and Washington and passed a bill providing for the establishment of trading houses among the Indians.<sup>3</sup> Those who favored the measure commented upon the little headway which American merchants had succeeded in making, handicapped as they were by competition with the powerful companies of Canada and due also to the fact that there were so many opportunities for speculation in the United States that individuals were unwilling to enter upon the Indian trade, where they were at such a tremendous disadvantage. Governmental participation in the trade was considered necessary in order to gain the friendship of the Indians and deprive the British of the ascendancy which they enjoyed and which the Americans feared might be again used to arouse the northwest tribes to hostilities.<sup>4</sup> The enactment of

<sup>1</sup> Wayne to the Secretary of War, December 23, 1794, ibid., I, 548.

<sup>2</sup> American State Papers, Indian Affairs, I, 578.

<sup>3</sup> Annals of Congress, 4th Cong., 2889.

<sup>4</sup> Annals of Congress, 4th Cong., 229-232. It is exceedingly difficult to form anything like a correct estimate of the volume of trade carried on by the Americans in the Northwest between 1783 and 1796. Some furs were used in the manufacture of hats in certain states along the Atlantic seaboard, some of which, however, may have been smuggled in from the Great Lakes. A small amount of peltry was also exported from the New York and Pennsylvania during this period. Ibid., 3rd Cong., 478; American State Papers, Commerce and Navigation, I, 160.



the law providing for the establishment of government trading houses by the United States, together with the evacuation of the posts, was the beginning of a new epoch in the history of the northwest fur trade. It marked the beginning of a struggle between the Americans and the British for political and commercial supremacy in the Great Lakes' region which did not end until after the War of 1812. The relative insignificance of the fur trade which was carried on by subjects of the United States during this period bears witness to the strength of the monopoly which the British succeeded in establishing at the time of the Revolution and in holding during the years which followed.

In addition to the official measures which the British took to ensure the preservation of their commerce, they possessed certain other advantages over their American and Spanish competitors, the first and perhaps the greatest of which consisted in the fact that they enjoyed the friendship of the Indians, which was always so essential to the welfare of the fur trade. Of scarcely less importance, however, was the inestimable advantage of an efficient and highly developed business organization, the product of the enterprise and ability of the merchants who had entered Canada after the Conquest, which in itself would have rendered effective competition almost impossible. But even the British fur trade between 1783 and 1796 was exposed to many vicissitudes, for Indian wars, unrestrained competition, and the uncertain state of the European market all caused those who were engaged in it a great deal of anxiety; while there was the addi-





tional uncertainty as to when the posts might be surrendered, though that fact does not appear to have deterred the merchants from making up outfits of the usual size for the Indian country each year.

The northwest fur trade as carried on by the British may, when regarded as a whole, be said to have consisted of three rather clearly defined branches; there being the part which depended upon Detroit; the commerce of which Michillimackinac was the center; and the trade carried on to the far Northwest by way of Grand Portage. It is possible, on the basis of two reports concerning the state of the fur trade, one compiled in 1784, and the other in 1790, to determine approximately the relative importance of the three branches which have been enumerated.<sup>1</sup> The report of 1784 placed the annual value of the Detroit trade at about £65,000; that of Michillimackinac at £64,000; while the trade to the northwest of Lake Superior was estimated at £25,000. The report compiled in 1790 valued the commerce dependent upon Detroit at £40,800; that of Michillimackinac at £60,400, while the furs annually carried in from the far Northwest were estimated to be worth £40,000. The first report placed the value of the trade below Montreal, together with that of the country north of the

<sup>1</sup>"Canada, its Indian Trade with Observations thereon." London. Dec. 28, 1784, Canadian Archives Transcripts, C.O. 42, vol. 16, p. 122. "Statement Concerning Trade at Detroit and Other Posts", Michigan Pioneer and Historical Collections, XXIV, 686. The second estimate was compiled in 1790, the average annual value of the trade for the preceding decade being the basis for the figures quoted. These estimates may hereafter be more conveniently referred to as "Trade Estimate, 1784" and "Trade Estimate, 1790". It is very likely that these reports somewhat overestimate the value of the commerce falling within American territory, as they were both apparently compiled with the idea of showing what effect the surrender of the posts would have upon the trade.



lakes at £46,000, while that of 1790 estimated the furs gathered in these regions to be worth £60,000.<sup>1</sup>

The area dependent upon Detroit included the territory south of Lake Erie; the Miami and Wabash region together with that part of the Illinois country which was reached by way of the Wabash; and a portion of what is now the state of Michigan. There were posts at Saginaw and Sandusky which drew their merchandise from Detroit, but the most valuable returns came from those on the Miami and Wabash Rivers.<sup>2</sup> The region dependent upon Detroit, especially that part of it lying south of the lakes, did not enjoy great commercial prosperity during the period under consideration. Almost immediately upon the cessation of hostilities between the United States and Great Britain, American settlers began pouring into the country northwest of the Ohio, while the Indians, alarmed and angered by these encroachments upon their hunting grounds, resisted, thus precipitating an era of war and general disorder.<sup>3</sup> The resentment of the Indians was of course directed primarily against the Americans, but the trade of the British merchants was nevertheless very materially affected, as the attention of the Indians was diverted from their hunting, while in the brawls which were constantly occurring, British traders did not always escape.<sup>4</sup>

<sup>1</sup>War and the onward march of the settler had caused the practical disappearance of the trade formerly carried on at Niagara.

<sup>2</sup>Trade estimates of 1784 and 1790.

<sup>3</sup>Winsor, The Westward Movement, 243; Haldimand to Sydney, October 24, 1784, Canadian Archives, series B, vol. 58, p. 14.

<sup>4</sup>Letter from a Mr. Park, May 17, 1786, Michigan Pioneer and Historical Collections, XXIV, 29.





The Indians when roused did not at all times distinguish between the British and the Americans; and they moreover harbored a certain degree of resentment against the former for having as they thought given their lands to their enemies. The trade of Detroit was at low ebb during 1785 and 1786, the situation being reflected in a letter of Alexander Henry in which, commenting to a friend upon the bad state of affairs, he says, "I don't either pitty the Indians nor blame the Americans, but I feel for you and my friends at Detroit, who has large connections in that country."<sup>1</sup> The firm of Todd and McGill, writing to John Askin of Detroit at about the same time, was inclined to look with disfavor upon the trade in that quarter, especially in the Wabash country, inasmuch as it was feared that there would be interruptions by reason of Indian disturbances for some time to come, a prophecy which proved only too true.<sup>2</sup> Lord Dorchester gave instructions that the Indians were to be reproached for their violence to British traders, but all efforts to maintain order were practically useless.<sup>3</sup> In 1789, the Detroit trade was still in a state of decline and the number of packs of furs which it yielded in that year was reported to be 500 less than for the preceding year.<sup>4</sup> The invasion of the

<sup>1</sup>Henry to Edgar, November 12, 1786. Letters and Accounts of the Northwest Co., 77; see also Henry to Edgar, June 23, September 1, 1785, and March 5, 1786, Ibid., 65, 67, 71.

<sup>2</sup>Todd and McGill to Askin, December 20, 1786, Burton Manuscript Collection, vol. 1, p. 217.

<sup>3</sup>Dorchester to Johnson, November 27, 1786. Michigan Pioneer and Historical Collections, XXIV, 39.

<sup>4</sup>Richardson to Portecus, September 23, 1789, Canadian Archives, M, 852; Forsyth to Portecus, November 24, 1789, ibid.



Miami country by General Harmar in 1790 resulted in considerable losses to the merchants, for as the Indians retreated before the Americans, they burned their houses along with those of the traders in order to prevent them from falling into the hands of the enemy. The Miami village was destroyed, and although the traders living there saved most of their movable goods, their corn was burned and they were forced to give their ammunition to the Indians.<sup>1</sup>

The situation at Detroit did not improve as time went on, since Indian wars with their attendant confusion continued to injure the trade and a fall in the price of furs on the London market caused the merchants increasing anxiety. John Askin, who was one of the most prominent merchants of that post, met with very different success in his commercial ventures during this period, and Lieutenant Governor Simcoe reported in 1793 that the trade of Detroit was totally ruined by hostilities between the Americans and the Indians.<sup>2</sup> Only after Wayne's victory over the Indians at the battle of Fallen Timbers were peace and order finally restored to the Indian country. In addition to the Indian wars and general chaos which prevailed in the region south of Detroit, unrestrained competition and the consequent flooding of the country

<sup>1</sup>Letter of Major Smith, October 16, 1790, Michigan Pioneer and Historical Collections, XXIV, 103; Extract from letter of officer commanding at Detroit, October 16, 1790, ibid., 104; Major Smith to Captain Le Maistre, October 20, 1790, ibid., 107; Richardson to Porteous, April 23, 1790, Canadian Archives, M.832.  
<sup>2</sup>Todd to Askin, August 10, 1792, Burton Manuscript Collection, vol. 2, p. 58; Simcoe to Hammond, August 24, 1793, Michigan Pioneer and Historical Collections, XXIV, 599.





with merchandise during the years which followed the Revolution had a very harmful effect upon the trade, and led to the establishment of the Miami Company, which will be considered in more detail in a later chapter. The Detroit merchants were also at a certain disadvantage because of the accessibility of foreign markets. Traders in the Indian country who were indebted to persons at that post for their outfits occasionally carried their furs to New Orleans or to the American market, and thus the collection of debts was apt to be somewhat precarious.<sup>1</sup> The situation of affairs with regard to Detroit and its dependencies during this period also serves as a good illustration of the fact that the fur trade was but a transitory stage in the industry of any given region. Before 1800, it was coming to be apparent that the trade in that quarter was doomed to disappear before the ever-advancing wave of settlement, an outcome which Henry Hamilton, a man of remarkably clear perception, accurately foretold in a letter written in 1785:

"The Western Indians must in a very few Years have the Mississippi for their Eastern boundary, in which case the Beaver, Deer, and Buffaloeskin trade will decline so fast that it will scarcely be an object worth attention throughout all that district which they now occupy- The active and avaricious Americans having driven the Indians and exhausted the hunting Country, will become planters-"

"They must force a trade for their Lumber, Maiz, Cotton

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<sup>1</sup>Todd & McGill to Askin, December 20, 1786, Burton Manuscript Collection, vol. 1, p. 217; Dorchester to Sydney, October 14, 1788, Canadian Archives, series Q, vol. 38, p. 164.



and Tobacco-. The vast range of natural meadows which fed numerous herds of Buffalo, will furnish such an abundance of forage, that the raising herds of Cattle will be no expence, and demand few hands;"<sup>1</sup>

But if the fur trade of Detroit between 1783 and 1796 had begun to show evidences of decline, that of Michillimackinac during the same period was in its heyday and nothing better illustrates the vigor and enterprise of the British merchants than the manner in which they extended their operations during this period, holding the field against all competitors, and even pushing beyond the Mississippi into foreign territory. It is on the other hand true that the Michillimackinac trade suffered from some of the same influences which proved detrimental to that of Detroit. The importation of enormous quantities of goods immediately after the Revolution led to a state of disastrous competition which rendered some form of coöperation imperative and the outcome was the establishment of a General Store in 1785. This enterprise met with rather mediocre success at the outset, due in part, it seems, to the inexperience of some of the clerks employed, which involved certain of the merchants in considerable losses.<sup>2</sup> The General

<sup>1</sup>Hamilton to Sydney, April 7, 1785, Canadian Archives, series Q, vol, 24-1, p. 247. The figures in the trade estimates for 1784 and 1790 are significant in this connection. The value of the Detroit trade in 1784 was estimated at £60,000, while in 1790 the average annual returns were placed at only £40,800.

<sup>2</sup>Jean Baptiste Perrault, who is authority for this statement, says: "The death of Mr. Patersonne, had upset the calculations of Many Clerks, who not having sufficient Judgement, had managed their business badly, so that the deficit was so great that Many of the traders went into Bankruptcy, which caused such Confusion in the affairs of The company that it broke up." Perrault Narrative, Michigan Pioneer and Historical Collections, XXXVII, 545.





Store was originally established for a period of but three years but the agreement appears to have been renewed and there came into existence the organization which went by the name of the Mackinac Company.<sup>1</sup>

The places resorted to by the merchants of the General Store included St. Joseph's, Chicago, Milwaukee, La Baye, and Prairie du Chien, all names famous in the history of the fur trade-- besides many smaller posts of lesser renown. Immediately upon the close of the Revolution, the traders of Michillimackinac began to swarm like so many bees; and down they went into the Illinois country and beyond the Mississippi into Louisiana, despite the complaints of the store-keepers at Cahokia and the fuming of Spanish commandants, until at length they were in possession of virtually all the trade of the upper Mississippi Valley. Not a moment was lost and in the summer of 1783, even before the definitive treaty had been signed, a merchant named Marchessaux had opened a trading house at Cahokia.<sup>2</sup> By 1786, the French inhabitants of that village were complaining bitterly that the merchants from Michillimackinac had established a store which was engrossing all their Indian trade and it was even reported that they were considerably disaffected toward the United States for allowing such a state of affairs to continue.<sup>3</sup>

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<sup>1</sup> See post., p.174 et seq.

<sup>2</sup> Perrault Narrative, Michigan Pioneer and Historical Collections, XXXVII, 516.

<sup>3</sup> Memorial of the French faction to Congress, June 2, 1786, Alvord, Kaskaskia Records, (I.H. Col. V), 382; Edgar to Clark, October 23, 1786, ibid., 395; Parker to St. Clair, October 2, 1787, ibid., 410.



It is very probable that a majority of the goods which were sent down to the French villages from Michillimackinac by way of the Chicago portage and the Illinois River were not traded directly with the Indians by British merchants but were sold to the Spaniards on the other side of the Mississippi. For example, the outfit which Marchessaux carried down to Cahokia in 1783 was sold to Auguste Ch<sup>u</sup>teau, a St. Louis merchant, who operated in the Missouri country, the goods being furnished to him at an advance of 137 1/2 per cent on their first cost, payable in furs. In April of the following spring the returns from the Missouri came in, the British traders settled their accounts with Mr. Ch<sup>u</sup>teau, and in May departed for Michillimackinac.<sup>1</sup> This transaction is typical of the trading operations which were conducted by the British merchants in the Illinois country throughout this entire period. They carried their goods from Michillimackinac by way of Chicago to the region at the mouth of the Illinois River, sold them to Spanish traders on the west bank of the Mississippi, and carried back the furs which they received in exchange by the same route.<sup>2</sup> It is true that this was an illicit trade, all commercial intercourse with the east side of the Mississippi being forbidden by Spanish law, but the regulations were never adequately enforced, the goods being either smuggled into Spanish

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<sup>1</sup> Perrault Narrative, Michigan Pioneer and Historical Collections, XXXVII, 516-518.

<sup>2</sup> The English merchants appear to have had a marked advantage over the Spaniards in the matter of coarse woolen manufactures, which were in much demand by the latter. Lieutenant Governor Hay to Nepean, September 1, 1784, Michigan Pioneer and Historical Collections, XXIV, 19.





territory from Cahokia or else introduced by means of a secret understanding with the Spanish commandant.<sup>1</sup> The following extract from a letter written in 1793 by Captain Doyle, commander at Michillimackinac, throws some interesting sidelights on this trade:

"There is also a considerable trade carried on from hence, to the Spanish Post of Pain Court, (or St. Louis) upon the Mississippi, which is considerably in our favor, but cannot be depended upon for two reasons, first, the admission of goods from this Post, being contraband tho' not rightly observed; Secondly, should an enterprizing Merchant, send Goods from New Orleans, up the River, he could under sell the Traders from this Post; but this traffic which has been open to them for years, they have never attempted."

"The present Commanding Officer, at St. Louis Captain Trudot, is highly spoken of by the British Traders; He has in many instances rendered them essential Services. The Arrival of some Spanish Merchants, this summer to trade, has enabled me to convince them, I was not insensible of Captain Trudots politeness."<sup>2</sup> Not only did British merchants carry their goods into Louisiana, but Spanish merchants themselves resorted to Michillimackinac in order

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<sup>1</sup> St. Clair to the President. Report of the Official Proceedings in the Illinois Country from March 5th to June 11th, 1790. Smith, St. Clair Papers, II, 174.

<sup>2</sup> Extract of a letter from Captain Doyle, commanding at Michillimackinac to Lieutenant Governor Simcoe, July 28, 1793. Canadian Archives, series Q, vol. 280-2, p. 373.



to obtain supplies for their trade, as is shown by the extract from Captain Doyle's letter.

The Americans were naturally desirous of obtaining this lucrative commerce for themselves and when General Arthur St. Clair became Governor of the Northwest Territory, he took into consideration the possibility of establishing posts at Prairie du Chien and the mouth of the Illinois River in order to secure control of the trade; but neither plan was practicable as the distance of the former situation would have rendered the maintenance of a post very difficult while there was no suitable site for an establishment at the mouth of the Illinois. Peoria was suggested as an ideal spot for a post should it ever be considered advisable to interrupt this trade which was carried on by the merchants of Canada.<sup>1</sup> St. Clair suggested, however, that an impost be placed upon all goods imported into the Illinois country, not only for the sake of the very considerable revenue which might be derived therefrom, but also for the purpose of turning commerce up the Ohio River to the markets of the United States.<sup>2</sup> That such a

<sup>1</sup> St. Clair to the President, 1790. Smith, St. Clair Papers, II, 174, 175. Though the United States might be justified in interrupting this trade, St. Clair believed that it would be poor policy to do so without supplying something in its place. The shutting off of communication with Canada would have deprived the inhabitants of the Illinois country, the Spaniards, and the Indians, of a very necessary commerce.

<sup>2</sup> Ibid., It seemed to be the fate of the Illinois trade to be engrossed by foreigners. This proposal of St. Clair's was almost identical with that of George Morgan in 1767, who suggested that if a duty were levied upon the commerce of the Illinois country, sufficient revenue might be raised to support the garrisons in that region, while foreign competition would be excluded.





trade was practicable he declared had already been proved by Vigo, a merchant who had imported goods from Philadelphia and placed them upon the market in the West at more advantageous terms than had been offered by British traders, and that notwithstanding the fact that these goods were subjected to an impost from which British merchandise was exempt.<sup>1</sup> No effective measures were taken, however, and Canadian merchants continued to engross the trade of the Illinois country for a number of years after the surrender of the posts.<sup>2</sup>

The merchants of Michillimackinac also carried on a profitable commerce with the Indians living west of the Mississippi in Spanish territory. Prairie du Chien was the great rendezvous for the traders resorting to both sides of the upper Mississippi, at which post they congregated with large numbers of Indians each spring and fall. Ascending the Des Moines and St. Peter's Rivers, they penetrated deeply into Spanish territory, some of them pushing even as far as the region of the upper Missouri.<sup>3</sup> This trade had in fact been carried on almost from the time when the British had entered the Great Lakes' region, and one of the most absorbing bits of all the literature dealing with the fur industry is

<sup>1</sup>Smith, St. Clair Papers, II, 175. The Ohio River, however, never appears to have been the natural channel for the fur trade of the Illinois country, and the situation after the Revolution was in many respects identical with that which existed after the British occupation of the region in 1765.

<sup>2</sup>Cargo manifests in volumes 744, 745 and 746 of the Burton Manuscript Collection throw a great deal of light upon the later activities of the Michillimackinac Company in the Illinois country.

<sup>3</sup>Smith, St. Clair Papers, II, 175. The traders resorting to the St. Peter's River also used a more northern route, by way of Lake Superior and the St. Croix River. Winsor, Westward Movement, 468.



that portion of a journal of Peter Pond which recounts the story of a voyage up the St. Peter's River just before the outbreak of the Revolution.<sup>1</sup> When Spanish officers took charge of the administration of upper Louisiana in 1768, the Governor-General ordered that all English traders be excluded from the western branches of the Mississippi.<sup>2</sup> These instructions do not appear to have been carried out for in 1770, Galvez, the Spanish governor at New Orleans, recommended the establishment of a fort at the mouth of the Des Moines River in order to exclude the traders who were ascending that river to the headwaters of the Missouri. Nothing came of this proposal and the British continued to carry on their trade with the Iowa, Sioux, and other tribes living beyond the Mississippi.<sup>3</sup> Again, in 1793, the Spaniards tried to persuade the Indians living within their jurisdiction to have no dealings with the British traders, but with no better result.<sup>4</sup> In the following year, however, Carondelet, who was Governor of Louisiana, having determined to enforce a more vigorous policy, recommended that forts be established at the mouth of the St. Peter's River and at the mouth of the Des Moines in order to keep out the British traders who he declared were monopolizing the commerce of

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<sup>1</sup>Journal of Peter Pond, Wisconsin Historical Collections, XVIII, 314-354.

<sup>2</sup>Van der Zee, "Fur Trade Operations in the Eastern Iowa Country Under the Spanish Régime", Iowa Journal of History and Politics, XII, 357.

<sup>3</sup>Ibid., 361.

<sup>4</sup>Houck, Spanish Régime in Missouri, II, 50.





the upper part of the province. He likewise urged that the Spanish merchants of St. Louis be allowed to enjoy a free trade with New Orleans in order that they might more effectively meet the competition of their Canadian rivals.<sup>1</sup>

The Spaniards now began to adopt more vigorous measures, and in 1794, Andrew Todd, a trader operating from Michillimackinac, was stopped in the Missouri country and his goods seized. Lord Dorchester protested to Carondelet, Governor of Louisiana, who in turn called attention to the fact that British merchants had long been carrying on an illicit trade within Spanish territory.<sup>2</sup> Carondelet now made up his mind to fight fire by means of fire; if Spanish merchants could not carry on a successful trade on their own initiative, he proposed to enlist the aid of the Canadians themselves. To this end he granted to the very Todd whose goods he had seized, a pass giving him the exclusive right to the trade of the upper Missouri in consideration of the payment of a tax of six per cent, it being his hope that Todd might enter into effective competition with the traders from Montreal. The plan was put into operation and during the two years following the grant of the monopoly, Todd imported goods by way of New Orleans and

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<sup>1</sup>Robertson, Louisiana, I, 335. Report of Carondelet, November 24, 1794. The Spanish governor, emphasizing the richness of the trade, declared that notwithstanding the enormous distance which the British merchants were obliged to carry their goods, they nevertheless reaped a profit of one hundred per cent. It is not unlikely that Carondelet exaggerated somewhat.

<sup>2</sup>Van der Zee, op. cit., Iowa Journal of History and Politics, XII, 366; Dorchester to Carondelet, August 21, 1794, Canadian Archives, series Q, vol. 74-2, p. 234; Canadian Archives Report, 1891, Calendar of series Q, p. 114.



shipped back furs in exchange. He was planning to enlist the aid of Canadian engagés, but his project was cut short by his death in 1796, and the British remained in practically undisputed possession of the field for some years after the evacuation of the north-west posts.<sup>1</sup>

This trade within Spanish territory, while not without interest in itself, is remarkable from the fact that it illustrates how marvellously efficient was the business organization of the Canadian fur traders. It indeed speaks well for the ability and enterprise of these men, that they were able to send goods all the way from Montreal to the Mississippi, invade foreign territory, and, in spite of all efforts on the part of Spanish officials, undersell their competitors and win the trade and friendship of the Indians. A most remarkable tribute to the ability of the British traders is contained in the words of Jean Baptiste Truteau, who in 1795 led an expedition to the upper Missouri which was sent out by the Commercial Company for the Discovery of the Nations of the Upper Missouri, an organization formed at St. Louis the preceding year. Truteau complained in his journal of the difficulty of carrying on a trade with the Indians, due to the high price of the goods furnished by the Company, which led the savages to sell their

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<sup>1</sup>Juan Ventura Morales to Gardoqui, December 1, 1796, Missouri Historical Collections, IV, 13; Van der Zee, op.cit., Iowa Journal of History and Politics, XII, 366. For further information respecting the activities of British merchants in Spanish territory, see Houck, Spanish Régime in Missouri, II, 187, 254, 255.





furs to the traders from Canada.<sup>1</sup> Continuing, he says, "One thing is certain; if the English merchants, who are unquestionably much more enterprising than those of Illinois and Louisiana, were in possession of this river (the Missouri) on which from its mouth to its source navigation is so easy for the largest pirogues, having no cataracts or portages, they would establish a large trade with all the nations, those which are known to us as well as those which are still unknown, and obtain from them a great quantity of fine peltry; a thing which these gentlemen, the merchants from the Illinois, have never dared and may, perhaps, never undertake, because of the reluctance they have always had and still have of making expenditures, and because of their fear of failure, they being too easily disheartened by the first obstacles and losses which are encountered; things which have never stopped the English in their commercial ventures".<sup>2</sup> The efficiency of the Canadian engagés was likewise admitted. Spanish merchants were accustomed to hire Canadian traders and hunters to carry on their traffic with the Indians and the practice developed to such an extent that in 1787, Cruzat published an ordinance prohibiting the custom.<sup>3</sup> Truteau said in 1795, however, that the engagés of the company he represented came for the most part from Canada.<sup>4</sup>

<sup>1</sup>Truteau's Journal, Missouri Historical Collections, IV, 32.

<sup>2</sup>Ibid., 33.

<sup>3</sup>Houck, Spanish Régime in Missouri, II, 248.

<sup>4</sup>Truteau's Journal, Missouri Historical Collections, IV, 34.



While traders from Michillimackinac were pushing down into the Illinois country and across the Mississippi into Spanish territory, the merchants of the North~~West~~ Company were extending their commerce farther and farther into the vast region beyond Lake Superior. Efficient business methods, the native ability of the founders, and the occupation of a territory comprising what was probably the richest fur-bearing region in North America all contributed to the success of the Company and its affairs prospered almost from the very outset. Anything like a detailed account of the trading operations and the explorations carried on by the organization during this period would require much more time than can be allowed here.<sup>1</sup> But some idea of the geographical extent of the Company's activities may be gained from the fact that in 1789, the erection of Fort Chippewean was begun upon the shores of Lake Athabasca.<sup>2</sup> Hand in hand with the commercial exploitation of the Northwest went the discovery of new lands, lakes, and rivers; and high in the list of North American explorers stands the name of Alexander Mackenzie, first a bourgeois<sup>3</sup> and afterwards a partner in the "Great Company".<sup>4</sup>

The organization was composed of some of the most powerful of the merchants of Montreal, men who not only put forth mighty personal efforts in order to ensure the success of their commerce, but used every political influence of which they were

1The history of the North~~West~~ Company will be more fully discussed in the following chapter.

2Masson, Bourgeois de le Compagnie du Nord-Ouest, I, 37, 41.

3The clerks in the employ of the North-West Company were called "bourgeois".

4See Mackenzie's Voyages, passim. In 1793, Mackenzie succeeded in reaching the Pacific Ocean.





capable in order to build up a monopoly which should be safe from all rivals, foreign as well as domestic. Soon after the founding of the Company in the winter of 1783-4, certain of the partners turned their attention to the matter of the trade communication with the country beyond Lake Superior. According to the terms of the Treaty of 1763, there was some doubt regarding the northwest boundary of the region ceded to the United States; but it was nevertheless quite evident that Grand Portage, the great rendezvous of the Company on the west end of Lake Superior, was within American territory, a circumstance which gave the merchants no little uneasiness. Apprehensive lest upon the surrender of the posts their communication with the far Northwest might be cut off, they proposed to seek out a new route to take the place of that by way of Grand Portage; but fearing that their effort might be unsuccessful, they requested that if the posts were surrendered, it should be stipulated that both British and American traders should be free to use the old carrying place at Grand Portage, saying that there was no trade on the American side of the boundary which they would not gladly relinquish in return for such a privilege, thereby displaying remarkable consideration for the interests of the Michillimackinac and Detroit merchants.<sup>1</sup>

However, if a new route should be discovered, they desired that

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<sup>1</sup>Frobisher to Mabane, April 19, 1784, Canadian Archives Report, 1888, p. 63.



they be given exclusive rights to its use. They likewise proposed to explore at their own expense the vast region between 55 and 65 degrees north latitude, stretching westward to the Pacific Ocean, asking in return that they be given a monopoly of the trade northwest of Lake Superior for a period of ten years. A new route from Lake Superior to the water communications of the Northwest by way of Lake Nipigon was actually discovered in the summer of 1784. Haldimand, nevertheless, did not feel authorized to grant either of the requests for special privileges preferred by the merchants, but promised to lay their case before the British ministry. Apparently nothing came of the petition as no exclusive trade privileges seem to have been granted the petitioners.<sup>1</sup>

All signs point to the continued prosperity of the North-West Company. The enterprise seems in fact to have enjoyed almost phenomenal success throughout the years following the Treaty of Peace, for in 1787 it absorbed a group of rival traders, while in 1798, the number of shares was increased from twenty to forty-six.<sup>2</sup> The value of the furs annually obtained from the country beyond Lake Superior was in 1790 placed at £40,000, while according to an estimate which was probably made in 1794 or thereabouts, their value had increased to £100,000. Another statement

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<sup>1</sup>Memorial of the North-West Company, October 4, 1784. Canadian Archives Report, 1890, p. 48; McGill to Hamilton, August 1, 1785, ibid., 56; Mathews to Frobisher, October 11, 1784, ibid., 1888, p. 72.

<sup>2</sup>Post., 186.





made at about the same time declared that the northwest trade had greatly increased of late and that its value was supposed to have doubled during the past two years.<sup>1</sup> During the last quarter of the eighteenth century were laid the foundations of the great organization which was able to hold the field against one rival after another, until at length it was able to challenge the supremacy of the mighty Hudson's Bay Company.

From what has been said in the preceding chapters, it is apparent that the Canadian fur trade underwent a remarkable development during the years between the outbreak of the Revolution and the surrender of the frontier posts, a change which is reflected to a certain degree in an ordinance concerning navigation and trade enacted by the Legislative Council of Quebec in 1791.<sup>2</sup> By the terms of this act, practically all restraints were removed from the traffic in furs. Traders going to the Indian country were no longer required to take out licenses, not even for the sale of liquor, and thus the most important provisions of the ordinance of 1777 concerning commerce with the Indians were repealed. The instructions given Lord Dorchester in 1786 when he became Governor of Quebec were identical with those which had been transmitted to him in 1775.<sup>3</sup> But the committee charged

<sup>1</sup>Observations by Isaac Todd and Simon McTavish, Merchants, Michigan Pioneer and Historical Collections, XXIV, 684; Statement Concerning Trade at Detroit and Other Posts, communicated by Mr. Inglis of Mark Lane, ibid., 686.

<sup>2</sup>Michigan Pioneer and Historical Collections, XXIV, 204, 205.

<sup>3</sup>Shortt and Doughty, Constitutional Documents, 559.



with the task of framing a bill dealing with the commerce of the western country gave these instructions little more than a perfunctory consideration.<sup>1</sup> It was pointed out that the character of the industry had changed utterly since the Lords of Trade had formulated their plan in 1764. Seven of the principal mercantile firms of Montreal submitted their views with regard to the whole matter in a memorial dated October 26, 1790,<sup>2</sup> and their recommendations that the trade be freed from all restraint were adopted almost to the letter. It is scarcely an exaggeration to say that this ordinance passed in 1791 marks an epoch in the history of the Canadian peltry trade. Under the skilfull management of that exceedingly able and enterprising group of men known as the "merchants of Montreal", the fur industry had become a powerful and well organized institution, one which could be left free to manage its own affairs with safety to the province instead of being subjected to the paternalistic regulations of the government. In the following chapter an effort will be made to indicate some of the economic aspects of the commercial development which has just been mentioned.

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<sup>1</sup>Michigan Pioneer and Historical Collections, XXIV, 109-121.

<sup>2</sup>Ibid., 111.





## CHAPTER V.

Traders and Trading Companies.

The British merchants who controlled the commerce of the Northwest during the Revolution and the years which followed were accustomed to regard the fur trade as a commercial asset from two points of view: first, as the source of valuable returns in the shape of peltry annually carried to England; and secondly, as an outlet for British manufactures. Estimates as to the value of the furs annually exported from Canada to the London market during the period from 1774 vary considerably, but it is very likely, taking one year with another, that during the period following the Revolution, the annual returns did not fall far short of £200,000 sterling.<sup>1</sup> Of this amount, by far the larger share came from what has been referred to as the Upper Country, which probably yielded nearly five sixths of all the furs exported from Quebec.<sup>2</sup>  
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<sup>1</sup>This is probably not far from the correct figure for the decade from 1780 to 1790. One estimate, made up in 1790, gave the average annual value of the returns for the preceding ten years as £200,000, while another, based upon the returns for the five years preceding 1789, placed it at the same figure. Statement concerning trade communicated by Mr. Inglis of Mark Lane, Michigan Pioneer and Historical Collections, XXIV, 686; Importation of Skins from Canada 1788 and sold in January, February and March 1789. Canadian Archives, series Q, vol. 43-2, p. 826. There seems to have been a rapid increase in the value of the returns after 1790, for Todd and McTavish, in a report compiled probably about 1794, estimated the average annual value of the returns for the preceding five years at £250,000, Michigan Pioneer and Historical Collections, XXIV, 685.

<sup>2</sup>Michigan Pioneer and Historical Collections, XXIV, 686; "Canada, its Indian Trade with observations thereon, London, December 28, 1784," Canadian Archives, C. O. 42. vol. 16, p. 122.



The quantity of goods used in the trade from year to year shows more variation than the returns in furs. A fair estimate of their amount is to be obtained from the returns of trade licenses issued in the province of Quebec, which indicate the value of the goods carried into the Indian country for the period between 1777 and 1790, with the exception of the years 1780 and 1784. The returns vary from £41,355 currency in 1779, to £226,922 in 1783.<sup>1</sup>

From out the vast range of territory over which the British trader extended his operations were annually carried hundreds of thousands of furs of many varieties, including those of the beaver, marten, otter, mink, fox, muskrat, raccoon and cat, along with the skins of the deer and the bear.<sup>2</sup> The merchandise for which the Indian exchanged his peltries included articles of a great many different sorts. Rum was an indispensable part of every trader's outfit, without which he would never think of going into the Indian country, while guns, or fusils, as they were commonly called, along with powder and shot, were very important articles of trade, as they furnished the savage with the means of carrying on his hunting.<sup>3</sup> The "dry goods" which usually formed a part of the equipment included a great variety of manufactured articles, such as blankets, strouds, cotton cloth, kettles, knives and tools  
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<sup>1</sup>Returns of Indian Trade Licenses.

<sup>2</sup>Returns of furs exported from the province of Quebec, Canadian Archives Report, 1888. Calendar of Haldimand Collection, vol. III, p. 12.

<sup>3</sup>Returns of Indian Trade Licenses.





of many sorts, as well as trinkets of all kinds,- looking-glasses, beads, arm bands, etc. Practically all the dry goods as well as the guns and ammunition used in the Canada trade were of British manufacture.<sup>1</sup>

During the days when the fur trade flourished there was thus a continuous interchange of commodities involving goods and furs to the value of thousands of pounds. Manufactured articles were being constantly transported from Great Britain to the innermost depths of the American forests, over distances aggregating thousands of miles, while the peltries obtained in exchange were carried back by the same routes to London, the great fur market of the world. A trade which involved transactions of such magnitude, and in which such tremendous distances were involved, naturally required highly developed business methods. The romantic nature of the contact between the Indian and the wilderness trader has furnished the principal theme for many a writer who has undertaken to describe the history of the peltry trade.<sup>2</sup> The actual bartering for the furs, which took place in the depths of the forest, thousands of miles away from civilization, does indeed constitute an important and withal a most fascinating aspect of the subject, but on the other hand, it should be remembered that this wilderness traffic was but one incident in a long

<sup>1</sup>Wisconsin Historical Collections, XIX, 216-233. These accounts and inventories give a good idea of the kind of goods employed in the Indian trade.

<sup>2</sup>The journals and reminiscences of those who actually participated in the trade, upon which most descriptions are based, almost invariably emphasize the romantic and adventurous side of the trader's life.



series of transactions which were necessary in order that the furs gathered in the forest might be placed upon the world's market. The most important and at the same time the most neglected aspect of the whole subject of the fur trade consists in that complex mechanism of distribution which was gradually developed, the economic function of which was to effect an exchange of merchandise for peltry and place the latter upon the market. It will be the purpose of the present discussion to consider the organization of the British fur trade as a factor in economic distribution and to call attention to the various influences which affected the industry as a business institution.

The term "fur trader" has often been employed indiscriminately to designate anyone who was commercially interested in the traffic in furs. The expression is a generic one, however, and should include several classes of persons, all of whom were interested in the fur trade, it is true, but who bore little resemblance to one another, either socially or industrially. At the top of this complex business organization were the great London firms, as for example, those of Robert Hunter; Watson and Rashleigh; Dyer, Allan, & Co.; Brickwood, Pattle, and Company; and Phyn, Ellice, and Inglis. An enumeration of the London firms interested in the northwest fur trade would include the names of some of the great merchants of the United Kingdom, men who did not hesitate to apply to his Majesty's ministers, in their own interests or those of their correspon-





dents on the other side of the water.<sup>1</sup>

Next in order came the great mercantile houses of Montreal - firms often collectively referred to as "the merchants of Montreal," whose business was the backbone of Canadian commerce. A list of the merchants of Montreal would include the names of men famous in the history of the Great Lakes' region, such as Isaac Todd and James McGill, of the firm of Todd & McGill, Benjamin and Joseph Frobisher, David McCrae, Alexander Henry, William Grant, Simon McTavish, William Kay, and a score of others.<sup>2</sup> Many of the great fur barons of Montreal were Scotchmen, who had rapidly gained a footing in Canada after the Conquest and gradually crowded out the French merchants who had hitherto reaped the benefits of the peltry trade of the Great Lakes' region. While the origin of these Scotch merchants is obscure, their steady rise to wealth and power may be readily traced in the history of the industry which attained such marvellous development at their hands.

A step farther down in this commercial hierarchy were the merchants who carried on their business at the posts of Michillimackinac and Detroit - men of lesser means, usually, than the members of the Montreal firms, though it is impossible to draw an absolutely clear-cut line of demarcation between the

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<sup>1</sup>The names of several of the London merchants engaged in the fur trade may be ascertained from the memorials addressed to Lord Shelburne. Lansdowne MSS., vol. 72, pp. 455-458, 459-462. The names of the principal London firms, including those enumerated above, have been gleaned here and there from correspondence bearing upon the trade.

<sup>2</sup>These names appear in a list appended to a memorial



two groups. Certain partners belonging to the Montreal houses were in the habit of spending a part of their time at the upper posts, superintending the business which they carried on in those quarters; but at the same time there were numerous individual traders who had their headquarters at Michillimackinac and Detroit, whose only business connections at Montreal were the houses with which they corresponded.

Finally, there were the small individual traders, French-Canadians, many of them, who trafficked with the savages at the dependencies of the upper posts, living among them at their hunting grounds, and often taking Indian wives. By the time of the English occupation, there had arisen a great class of coureurs de bois, or wood rangers, who roamed the forests and lived very much like the savages about them.<sup>1</sup> But here, likewise, it is impossible to distinguish sharply between the merchants who had their headquarters at the upper posts and the traders who wintered in the Indian country, as many of those who had capital invested at Michillimackinac or Detroit went themselves into the Indian country to spend the winter and bargain for furs, but it is likely that a majority of the

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addressed to Sir John Johnson, dated April 4, 1786. Michigan Pioneer and Historical Collections, XI, 484. It is very likely that the Returns of Indian Trade Licenses include the names of practically all the merchants of Montreal engaged in the fur trade between 1777 and 1790.

<sup>1</sup>In a list of passes granted by Lieutenant Governor Hamilton of Detroit between July 2 and August 15, 1777, appear the names of twenty-four traders, twenty of whom, from their names, appear to have been French-Canadians. Canadian Archives, series S, Indian Affairs.





petty traders simply came in to the posts to dispose of their peltry and to secure new outfits.<sup>1</sup> On the other hand, many of those who wintered among the Indians were hired clerks or agents of the traders at the posts, who were paid a certain stipulated wage for their services and had no financial interest in the goods they carried out with them or in the furs which they brought back to the posts.<sup>2</sup>

Though it is possible to enumerate roughly four classes of "fur traders," as has just been attempted, only in the case of the London merchants is it possible to say with any degree of accuracy that they formed a class apart. The great firms of Montreal, the merchants stationed at the upper posts, and the traders who actually went out into the Indian country did not form three separate and distinct classes, but rather blended into one another. On the other hand a classification such as the one attempted, while not strictly accurate, is still convenient to bear in mind when considering the business relations between the various groups of merchants engaged in the fur trade. Such a division also serves to emphasize the fact that the expression "fur trader" is capable of being used in more than one sense, for there was a wide gulf, socially

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<sup>1</sup> John Reeves, who had his headquarters at Michillimackinac and drew his supplies from Grant, Campion, and Company of Montreal, sometimes wintered among the Indians. Reeves to Grant, Campion, and Company, July 9, 1794. Baby MSS. The correspondence of John Reeves with Grant, Campion, and Company contains numerous references to these small traders who obtained their goods from Michillimackinac.

<sup>2</sup> John Anderson, for example, acted as the agent of John Askin, of Detroit, at the trading post on the Miami. Anderson to Askin, November 1, 14, and 24, 1794. Burton Manuscript



and commercially, between the great London merchant who did not hesitate to communicate his wishes and desires to the representatives of the British government, or the merchant of Montreal who spent his days in a counting house, and the petty trader who lived with the Indians, bargained with them for the purchase of their furs, and on the whole lived more like a savage than a white man.

In order to understand the economic relationship between the different groups of merchants and traders which have just been enumerated, as well as the character of the industry as a whole, it must be constantly borne in mind that practically every step in the whole distributive process known as the "fur trade" was based upon credit. The merchants of Montreal almost invariably purchased their goods from the great London firms on credit, making them up into outfits which they forwarded to their correspondents at the upper posts, also on credit.<sup>1</sup> In the spring, the petty trader came in to the post from the Indian country with his peltry and set out again in the fall with an outfit purchased from the merchant with whom he dealt, still on credit. The proceeds of the furs which he brought in to Michillimackinac or Detroit in the spring to sell were almost invariably used to pay for the outfit obtained the previous fall, which had been consumed during the winter in trading for the same peltry which he carried in with him. Very

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Collection, vol. 1, pp. 71, 88, and 99.

<sup>1</sup>Memorandum Relative to the Trade in the Upper Country, undated. Michigan Pioneer and Historical Collections, X, 272.





seldom, indeed, were the goods paid for at the time of their purchase and hence it followed that the merchant must necessarily depend upon the success of the trader in the Indian country for his pay.<sup>1</sup> Considering the basis upon which the trade was conducted throughout its various stages, it is not difficult to see how poor returns in furs, due to war, unsuccessful hunting, or any other reason, in fact, would affect the whole industry. If the trader in the Indian country had poor success, it meant that not only his correspondent at the upper post would have to wait for his remuneration, but also that the merchants of Montreal and London would be obliged to defer the settlement of their accounts. Nothing is more common in the correspondence of the fur trade than to find the firms at Montreal urging their customers at Michillimackinac and Detroit to make their remittances as promptly as possible in order that they themselves may in turn be enabled to meet their obligations to their English agents.<sup>2</sup> In like manner, the correspondence of the traders at the upper posts frequently reveals their anxiety concerning the returns which they are expecting from their customers in the Indian country, upon which they are relying in order to make remittances to their agents at Montreal.

Owing to the fact that the fur trade was conducted on a credit basis, it will be readily seen that at any given

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<sup>1</sup>Correspondence of John Reeves with Grant, Campion, and Company, Baby MSS., passim.

<sup>2</sup>McGill to Askin, April 12, 1786. Wisconsin Historical Collections, XIX, 261.



time, the merchants of London and Montreal had very considerable sums invested in the Indian country. This situation was also due to the fact that a period of considerable length must elapse before the exchange of merchandise for furs could be effected and the returns brought to market, anywhere from two to three years being required to carry the goods from London to the Indian country, exchange them for peltry, and bring the returns to the English market. The length of time required of course varied according to the distance which the merchandise must be carried, and the state of the trade in the Indian country - that is, the readiness with which goods might be converted into peltry. It is said that in the case of the trade carried on by the North-West Company, a period of three years was required to effect this exchange of commodities, but the posts at which its commerce was carried on were many of them unusually remote, a fact which partially accounts for the length of time required.<sup>1</sup> Under ordinary circumstances, goods might be shipped from London to Montreal by the spring or fall trade fleet and sent to the Upper Country by canoe brigades or sailing vessels in the spring or summer of the following year. Reaching the upper posts in the summer, the merchandise was made up into outfits, which were purchased by traders and carried out to the wintering grounds in the autumn, before navigation closed. During the winter, the traders bartered the

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<sup>1</sup>Masson, Bourgeois de la Compagnie du Nord-Ouest, I, 51, 52; Mackenzie, Voyages, ed. 1902, I, p. 11.





goods with the Indians in exchange for furs which they carried back to Detroit or Michillimackinac in the spring. Under favorable conditions, the peltry was sent down to Montreal during the summer, in time to be shipped to England by the fall trade fleet. Thus a period of about two years was required before the returns from the goods were actually marketed in London. The merchants of Montreal were indebted to their London correspondents, the merchants at Detroit and Michillimackinac owed those of Montreal, and so on down the line to the Indian himself, who was often in debt to the trader who supplied him with goods. The Canadian merchants, in their report to the Committee of Council on Commercial Affairs and Police in 1786 or 1787, stated that the balance owing from the Indian trade to the province of Quebec and chiefly to the city of Montreal, was at least £300,000.<sup>1</sup>

When one considers the enormous distances involved in the fur trade and the fact that it was conducted on a credit basis, the necessity for a well-organized business machinery is at once apparent. The merchant at Michillimackinac, for example, was located hundreds of miles from the source of his supplies and from the market for his furs. As his presence was required in order to superintend business at the post, he could not take the time to go to Montreal to attend to the making up of his outfit each spring and the sale of his peltry

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<sup>1</sup>Michigan Pioneer and Historical Collections, XI, 473. This report was probably compiled some time between October, 1786, and June, 1787.



each autumn, but was obliged to depend upon the firm with which he dealt to transact all his business in that city. A study of the letters and accounts which passed back and forth between the traders at the upper posts and their correspondents at Montreal reveals how they coöperated and were of mutual service in a business way. The latter firms acted as business agents for their customers in the Upper Country, while the London houses performed a similar service for the merchants of Montreal.

In considering somewhat more minutely the organization of the fur-trading industry, it will be convenient, first of all, to consider the manner in which the Montreal firms and their customers in the Upper Country coöperated.<sup>1</sup> The outfits which were imported by the traders at the upper posts appear in most cases to have been forwarded at the expense and risk of the buyer. If a merchant at Michillimackinac, for example, ordered an assortment of goods, he paid a certain sum for them to his correspondent at Montreal, being obliged to assume the expense and risk attendant upon their transportation.<sup>2</sup> His

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<sup>1</sup>There are in the Toronto Public Library (Quebec Papers, vol. B. 75, pp. 170-241) a number of accounts between David McCrae and Company and William Kay, of dates ranging from 1778 to 1782. The firm of David McCrae and Company had its headquarters at Michillimackinac, being a partner in the General Store established at that post in 1779, while William Kay belonged to a Montreal firm. These accounts throw a great deal of light upon the character of the business relations between the merchants of Montreal and those living at the upper posts, and furnish the source from which many of the details in the following description have been derived.

<sup>2</sup>William Robertson of Detroit stated that the merchants at that post sent their orders to an agent at Montreal, who imported their goods from Great Britain on commission. Michigan





agent, however, attended to the making up of the outfits, a task which involved the supervision of many details of one sort and another. In the first place, canoes or bateaux had to be secured for the transportation of the merchandise and likewise men to navigate them; while upon hiring an engagé, it was necessary to make a contract or engagement with him before a notary public, all of which was attended to by the correspondent at Montreal. Provisions for the voyage must be secured, and certain articles advanced to the engagé for his personal use and charged to his wages. During the period before 1790, it was necessary to secure a license before any outfit might be despatched for the Upper Country. As a series of rapids rendered the St. Lawrence just above Montreal unnavigable, the goods had to be carried in carts to Lachine, whence the canoes and bateaux were accustomed to depart for the distant posts. All these details were attended to by the Montreal concern and the expense involved charged to the account of the customer at Michillimackinac or Detroit. In addition to the services which have been enumerated, the Montreal firm acted in the capacity of banker for its customers. Thus, if a merchant at Michillimackinac desired to pay his engagés' wages, or meet any other obligation, in fact, he might draw upon his agent in favor of the person to whom he was making the remittance and thus the conduct of his business was greatly facilitated.<sup>1</sup>

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Pioneer and Historical Collections, XI, 631. The correspondence between John Reeves and Grant, Campion, and Company would indicate on the other hand that many of the traders in the Upper Country purchased their goods directly from their Montreal correspondents.

<sup>1</sup>See, for example, Reeves to Grant, Campion, and



Besides supplying the traders at Michillimackinac and Detroit with merchandise each season, the Montreal firm also acted as agent for the disposal of the returns in peltry which were sent down from the Upper Country from time to time. The manner in which the furs were placed upon the market will help to illustrate the relationship between the wilderness trader, the merchant at the upper post, and the Montreal firm. When the trader came in from the wintering ground in the spring with the peltry he had been able to secure from the Indians, he usually did one of two things - he either sold it in the open market, or turned it over to his outfitter at the market price, the proceeds of the sale to be applied on his account, in payment of the merchandise purchased the season before.<sup>1</sup> To be strictly accurate, a third alternative was open to him. Instead of disposing of his furs at Michillimackinac or Detroit, as the case might be, he sometimes sent them to Montreal or even London at his own risk, in order that he might have the advantage of the better prices which they might be expected to bring in those markets.<sup>2</sup> But this practice appears to have been followed only in the case of the more considerable traders in the Indian country, those whose capital and credit were sufficient so that it was not a matter of great importance whether their returns were immediately converted into money or not.<sup>3</sup> Peltry was always a

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Company, August 31, 1794. Baby MSS.

<sup>1</sup>Reeves to Grant Campion, and Company, July 9, 1794.  
Baby MSS.

<sup>2</sup>Burton Manuscript Collection, vol. 1, p. 189.

<sup>3</sup>Such a trader, for example, was Francois Vigo, a correspondent of John Askin who traded in the Wabash country.





saleable commodity, and a trader who had furs could usually dispose of them at Michillimackinac or Detroit as well as Montreal or London. Merchants at the upper posts made a practice of speculating in furs, in the hope of being able to dispose of them at a profit in another market. John Askin, while engaged in business at Detroit, was in the habit of buying furs for sale by the various traders resorting to that place, while Todd & McGill of Montreal bought peltry at Detroit or Michillimackinac whenever they saw an opportunity to make a profit by so doing.<sup>1</sup>

The trader residing at one of the upper posts consigned the furs he obtained to the merchant with whom he dealt at Montreal, who was in turn instructed either to sell them as advantageously as possible in the market in that city, placing the proceeds to the credit of his customer, or ship them to England to be sold in the London market. In the latter case the merchant in the Upper Country relied upon his agent at Montreal to see that the furs were properly packed and shipped abroad - the agent in turn consigning the peltry to his London correspondent, who assumed responsibility for placing it upon the

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<sup>1</sup>Day Books of John Askin, Burton Collection and Canadian Archives. These daily journals, or blotters, contain numerous entries listing furs purchased along with the prices paid. Etienne Campion and Company to Grant, Campion, and Company, July 9, 1794, Baby MSS. In the Illinois country, furs were even the circulating medium at the time of the Revolution. See, for example, Alvord, Cahokia Records (I. H. Col., II.), 53 and Alvord, Kaskaskia Records (I. H. Col., V.), 15, 126. At the time of the English occupation of Canada, furs were likewise the circulating medium at Michillimackinac, but as business developed, drafts and notes of hand came into use. Henry, Travels, Bain ed., 55.



market.<sup>1</sup> Whichever method was followed, the merchant of Montreal simply acted in the capacity of agent for his correspondent in the Upper Country and the furs remained the property of the latter until they were actually sold.

It must not be assumed that such a description as that which has been attempted will fit every case, for, as is true in every industry, all sorts of business relationships sprang up between those who were engaged in the traffic in furs. Traders who wintered in the Indian country themselves may have purchased their outfits in person at Montreal and carried their peltry back to market, while some Montreal firms, as that of Todd and McGill for example, at times doubtless furnished outfits directly to the forest trader through a member of the firm who occasionally visited the upper posts. But such a description as the one given, while not strictly accurate in every case, will at the same time indicate in a general way the business connection between the merchants of Montreal and the traders at the posts in the Great Lakes' region.

Just as the Montreal firm acted as agent for its customers in the Upper Country, so the great mercantile house in London acted in the capacity of agent for its correspondents at Montreal. Besides supplying them with goods it superintended

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<sup>1</sup>Reeves to Grant, Campion, and Company, July 9, 1794, Baby MSS; "Account Sales of Furrs &c received p the Betsy Capt<sup>n</sup> William Boyd from Montreal & sold by order of Mess<sup>rs</sup> William & John Kay for Account of David McCrae & Co. -London 6 May 1779 p. Robert Hunter." Toronto Public Library, vol. B 75, p. 240; Examination of William Robertson, October 25, 1788, Michigan Pioneer and Historical Collections, XI, 631.





the marketing of the furs which they shipped from Canada, seeing that they were properly unloaded and stored away in warehouses, and later preparing them for the fur sales. The expense items which the London merchant charged in his "account of sales" were for unpacking, trimming, beating, sorting, lotting, telling, etc. In short, the London firm transacted all the business incidental to the marketing of the furs, for which services a commission was received on the proceeds derived from the sale, as well as interest on sums of money which it was necessary to advance from time to time.<sup>1</sup>

Those who were engaged in the Indian trade naturally kept in close touch with the correspondents to whom they gave credit, as the uncertain nature of the trade due to the numerous risks involved, made it desirable, from the viewpoint of the merchant, that he keep himself well-informed concerning the prospects of those to whom he made advances. Just as business men at the present time explain the state of their affairs to their correspondents when undertaking any new enterprise which will involve a necessity for considerable advances, so the

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<sup>1</sup>Brickwood, Pattle, and Company's Account "Sales of 3 Bales of Furs I G. R. received of the Indian Trader Capt<sup>n</sup>. John Edwards from Montreal, by address of Messrs. Grant, Campion & Co. Merchts. there on the proper Accot. & Risque of Wm. Grant Esqr. of three Rivers, London, April 20, 1793." Baby MSS. "Account Sales of Furrs &c received p. the Betsy Capt<sup>n</sup>. William Boyd from Montreal & sold by order of Messrs. William & John Kay for Account of David McCrae & Co. in London 6 May 1779 p. Robert Hunter." Toronto Public Library, vol. B.75, p. 240.



merchants of Montreal were accustomed to inform the London firms with whom they dealt concerning their business prospects.<sup>1</sup> In similar fashion, the merchants in the Upper Country kept their agents at Montreal in touch with the state of their affairs, informing them with regard to any new projects which they desired to undertake. The merchants of Montreal, on their part, were very frank in expressing their opinions concerning the business activities of their customers, as the correspondence between Todd and McGill and John Askin of Detroit will illustrate. In 1786, when the Wabash country was in a state of ferment owing to Indian troubles, they recommended to Askin that the trade in that quarter be abandoned, or that at any rate, the giving of credits be stopped, expressing the opinion that if their advice were followed, the total returns would not be very much less, and that even if they were, better prices might be obtained for the furs which were secured.<sup>2</sup> They also kept Askin informed with regard to the state of the market and advised him what sort of furs it would be most profitable for him to buy.<sup>3</sup> Occasionally they made rather pointed criticisms

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<sup>1</sup>Frobisher to Brickwood, Pattle, and Company, May 18, October 16, 1787, and June 30, 1788. Letter Book of Joseph Frobisher, 10, 20, 59.

<sup>2</sup>Todd & McGill supplied Askin for a number of years during the Revolution and the following period. Todd & McGill to Askin, December 20, 1786, Burton Manuscript Collection, vol. 1, p. 217.

<sup>3</sup>"I cannot yet say anything certain to you about the price of Furs, but I am persuaded deer skins have sold badly & I fear Bear & otter have had a tumble. I advise you strongly to change all your late fall & winter deer Skins for Racoons & Picheux but Foxes are really worth no more than 4 sh." McGill to Askin, April 12, 1786, Wisconsin Historical Collections, XIX, 262.





concerning the variety and quality of the peltry which he consigned to them, as for example, in the following extract from a letter written in 1786: "Part of the Packs A B being come to hand we cannot help taking nottage to you of this apparently inferior quality, they appear all to be long hair Skins, which are of all the others the worst; insomuch that a Battoe load of them is not worth the expense of sending for them to St. Dusky were they to be got on the Beach. now that you have got into a Company at Detroit, if you do not adopt some measure to prevent the Traders from taking such trash, ruin must ensue infallibly. we request of you also to advise that the Chuck Skins tho mostly in good Season, are exceedingly unfit for the London Market, owing to the manner in which they were stretched and altho' Mr. Vigoe may be of opinion that the Skins are not the less good, we can assure you that their value is much inferior at that Market by which we must all be regulated."<sup>1</sup> Thus, in a trade attended by unusually large risks, in which practically all transactions were based upon credit, and where the market upon which the whole industry depended was thousands of miles away, and communication slow and difficult, it was absolutely essential that persons engaged in the trade and having business relations with one another should work in harmony so far as possible. It was to their mutual interests that the most perfect understanding possible should subsist between them. The prosperity of the great houses of Montreal and London de-

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<sup>1</sup>Tood & McGill to Askin, July 16, 1786, Wisconsin Historical Collections, XIX, 265.



pended in large degree upon the way in which their correspondents managed their respective enterprises and hence the freedom in the matter of giving advice which has been commented upon.

As the description of the economic aspects of the fur trade thus far attempted has necessarily been of a general character, perhaps an account of the transactions carried on by an individual trader during a brief period of time will serve to illustrate in a more concrete way some of the statements which have been made. Such a study is rendered possible by a series of letters written by John Reeves of Mackinac, to Grant, Campion, and Company of Montreal, during the year 1794.<sup>1</sup> Although no correspondence of the Montreal firm is available it is possible by means of that of Reeves alone to form a rather clear conception of the character of the business relations subsisting between himself and his correspondents. Reeves was a merchant having his headquarters at the post of Michillimackinac, where he made up outfits which he sold to the traders going out into the Indian country each fall, and received the returns which were carried back in the spring. Grant, Campion, and Company acted as his agents at Montreal, forwarding the goods which he needed in his trade and caring for the furs which he consigned to them for sale.

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<sup>1</sup>These letters are to be found in the Baby MSS., which also contain the letters and accounts of several other traders. Taken collectively, this correspondence forms a most interesting and valuable source for the study of the fur trade of the period.





In his first letter, dated June 17, 1794, Reeves has little news of interest for his correspondents. None of the traders have come in from the wintering ground as yet, but he fears that those who have been in the Lake Superior country and the Mississippi have not done very well, and that some have not even made sufficient returns to pay their engagés. There is still no news from the Indian country four days later, when he writes to inform his correspondents that he is drawing upon them for the wages of two of his men who are in Montreal. By July 6, however, the returns are beginning to come in and his forebodings are justified, for Papin and Roy, two traders whom he has supplied with goods, have brought in few furs, so much the worse for himself and those to whom he is indebted. Three days later, on July 9, he sends his first consignment of furs, consisting of twenty-nine packs, to his correspondents at Montreal, whom he authorizes to sell them as advantageously as possible, and he likewise asks for information concerning the state of the fur market, in order that he may govern his transactions accordingly. The furs which he sends down have been purchased from Roy and Benito who are just in from the wintering ground and he has been obliged to pay rather dearly for them. Notwithstanding their price, the furs come to but a little over 9,665 livres while the amount which the traders originally owed him was 34,000 livres but it is the best he has been able to do. He is also sending down a remittance of 8,728 livres which he desires placed to his credit, in the form of a draft given by Mr. Todd, to whom Papin, the trader



mentioned in a previous letter, sold his furs.<sup>1</sup> He has heard no news as yet from Tabeau, another of his customers, and rather dreads his arrival, fearing that he may have done no better than those who have already come in. Reeves takes occasion on August 19 to make another remittance to Grant, Champion, and Company; and while it is about all they may expect from him this year, he hopes that he may be able to settle his account in full the following season. There is still no news of Tabeau and a good many are of the opinion that he will not come in to the post at all; but Reeves himself has not given up all hope. He has decided that his furs may as well be sold in Montreal as they are too few to make it worth while to ship them to London on his account. Also, can Grant, Champion, and Company furnish an outfit of two canoes next spring, which two traders resorting to the post have asked him to furnish? While their credit is good, he does not desire to enter into any definite agreement with them until he shall hear from Montreal. By August 31, the long-awaited Tabeau has at last come in, and Reeves has been obliged to buy his furs, fearing that otherwise they might be sold to someone else and he would

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<sup>1</sup>This transaction illustrates the principle of dernier equipement, or "Privilege of last Outfitter & Canoe-men." Because of the very considerable risk which the merchant was obliged to assume when he advanced goods to a trader, there grew up a "Law of Custom" which gave the merchant a lien on the returns which the customer was able to acquire, after the wages of the canoe men had been paid; the engagés, because of the arduous nature of their work, being given first lien. Michigan Pioneer and Historical Collections, XI, 475. Thus when the trader Papin sold his furs to Todd, the latter gave a draft which was placed to the account of Reeves, who had furnished a part of Papin's outfit.





then get nothing for himself. The peltry purchased from Tabeau, along with a few beaver which he has picked up at a low price, are being made up into packs which will be sent down, this time by way of the lakes instead of the Grand River. As Mr. Michael Myers, another merchant at Michillimackinac, furnished a part of Tabeau's outfit, Reeves is obliged to draw upon his correspondents in his favor to the amount of 1,065 livres, to be paid only on condition, however, that the furs are brought to market and sold. He also draws upon them in favor of one Montreuille, an engagé of Tabeau to whom there is still a balance due on his wages. The debts which Papin and Tabeau still owe are giving him considerable anxiety as he fears they will not be discharged for a long time. They owe Reeves himself 28,715 livres while they are indebted to their other creditors to the amount of at least 36,000 livres. The details contained in this correspondence between Reeves and Grant, Campion, and Company are in themselves of little importance, but collectively, they throw considerable light upon certain business aspects of the fur trade, illustrating as they do the character of the relationship between the Michillimackinac merchant and the Montreal firm, while at the same time revealing some of the troubles and anxieties attendant upon the conduct of the business.

From what has already been said, it will be readily apparent that coöperation between the merchants engaged in the fur trade was a great advantage - indeed, almost a necessity. The small individual trader was greatly handicapped owing to



the fact that his limited capital and resources compelled him to lead a sort of hand-to-mouth existence in the conduct of his affairs, and he was moreover obliged to depend upon another merchant, his agent, to transact a large part of his business. The turbulent and uncertain conditions under which the trade was often carried on rendered it distinctly desirable, from the standpoint of all concerned, that coöperative methods should be employed so far as possible. The tendency toward centralization in the trade was very marked during the period from 1774 to 1796 and it was at this time that the great and powerful companies which dominated the northwest trade in the early part of the nineteenth century may be said to have had their origin. The coöperative methods which came to be employed varied from the simple agreement between individual traders or firms, to the rich and powerful North-West Company.

The relationship subsisting between the traders operating in the Upper Country and the merchants of Montreal rendered some definite understanding between the two very desirable, especially in view of the enormous distances involved in the fur traffic and the difficulty of communication. At the time of the Revolution, David McCrae, John Kay, Peter Barthe, and Charles Gratiot were associated in a joint concern having its headquarters at Michillimackinac, and operating under the name of David McCrae and Company, their Montreal correspondent being the firm of William and John Kay. On April 6, 1778 David McCrae and Company entered into a contract with their correspondents, by which the latter agreed, for the





space of three years, to furnish the Michillimackinac concern with such merchandise as they might require for carrying on their trade, to supervise the making up of the outfits and the sending them off each year; and, in short, to transact all the necessary business at Montreal.<sup>1</sup> The remuneration which they were to receive for their services, as well as the terms of payment, were set forth in the contract.<sup>2</sup> The firm of David McCrae and Company agreed to furnish their correspondents with a memorandum of such goods as they might require in September of each year, when the merchandise should be set aside for their account, and they likewise agreed on their part to consign the whole of their returns in furs to William and John Kay. The value of the peltry was to be estimated by James McGill and John Porteous, and the Montreal firm had the option of taking it at the appraised value, or of disposing of it to whoever would give that amount or more. The advantages of such an arrangement are perfectly obvious. It served as a guarantee to David McCrae and Company that they would be supplied each season with the goods necessary for their trade, and

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<sup>1</sup>Agreement for the Indian Trade Between David McCrae and Company of Michillimackinac and William and John Kay of Montreal, April 6, 1778. Toronto Public Library, vol. B, 75, 168.

<sup>2</sup>It appears from the terms of the agreement that William and John Kay acted as agents for the purchase of the goods used by David McCrae and Company. The latter agreed to pay for the merchandise at the rate of fifty per cent Halifax advance on the sterling cost, and in case the Montreal firm was obliged to buy any of the articles required, it was to receive payment for them, together with interest from the time of purchase, at the rate of six per cent.



also as an assurance that their business interests at Montreal would be properly attended to, thus enabling them to devote their entire attention to their affairs at Michillimackinac and its dependencies.

In the arrangement which has just been described, however, there was no suggestion of a partnership between the merchants of Michillimackinac and the Montreal firm. There were, however, certain very definite advantages to be derived from an agreement, or partnership, whereby one concern might carry on its business, both at Montreal, and in the Indian country; in such a case, the profits of the agent, or middleman, were eliminated and there was an additional guarantee that the entire business would be carried on in the interests of those concerned. A partnership of this sort was the one entered into between Richard Dobie and James Grant in 1787, whereby the two made an agreement for carrying on the Indian trade at the post of Temiscamingue and its dependencies for a period of seven years.<sup>1</sup> For the first three years Dobie was to hold two third shares, and Grant, one third share in all the outfits and returns of the trade, at the end of which time, the partners were to share alike. Dobie agreed to furnish the articles used in the trade upon certain terms stipulated in the contract, and to transact all business at Montreal, without charging any commission, while Grant on his side agreed to winter at such posts as he might judge most advantageous, and

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<sup>1</sup>"Articles of Agreement between Richard Dobie and James Grant, Merchants of Montreal." Beek, 1787, No. 254. Archives of Montreal.





trade with the stock entrusted to him to the best of his ability. Dobie was to receive two thirds of the profits during the first three years, after which both parties were to share alike, debts and losses being apportioned in the same manner as profits. The returns in furs were to be sold in Canada or shipped to England by Dobie, whichever he might consider the more advantageous method of disposing of them. These articles of agreement contain the germ of the idea which lay at the foundation of the larger fur companies, recognizing as they do the advantages to be derived from coöperation in the Indian trade and the elimination of the "middleman." The position of James Grant in the proposed arrangement bears more than a superficial resemblance to that of the "wintering partner" of the North-West Company.

Coöperation also tended to do away with the evils of competition, while at the same time rendering possible a more effective supervision of the conduct of the trade in the Indian country, thus protecting it from the violence and disorder which were often so prevalent. It was to attain the latter end that the General Store at Michillimackinac was formed in 1779, when a sort of partnership was organized at the instance of Major De Peyster, then commandant at Michillimackinac, who suggested it as a measure rendered necessary by the war, the whole purpose of the enterprise being to make possible a more effective supervision of the trade in the Indian country.<sup>1</sup>

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<sup>1</sup>De Peyster to Haldimand, October 5, 1779. Michigan Pioneer Collections, IX, 398. The articles of agreement are



Each merchant who signed the articles agreed to put all his goods into the store at a price agreed upon by a committee, and bound himself not to carry on any private trade with the Indians. The proceeds were to be divided among the members of the concern in proportion to the goods which each contributed. Persons were to be chosen to winter among the Indians by a general vote of the subscribers, subject to the approval of the commandant of the post. One committee was designated, whose duty it was to organize the various departments in which the trade should be carried on, while another group was entrusted with the general supervision and management of the enterprise. The articles were signed on July 1, 1779, and were to remain in force until July 31, 1780. It should be  
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printed in ibid., X, 305. In volume IX, p. 658, is a "List of the Proprietors of the General Store at Michilimackinac, the Number of Canoes each person has put in, their supposed value, and the present Residence of <sup>each</sup> Proprietor." The document is undated, however, and there is on the face of it nothing to indicate whether it pertains to the establishment of 1779, or some later agreement. A comparison of the names in this list with those signed to the articles of 1779 shows that the Articles of Agreement bear some names not included in the list, and vice versa. The position of the latter document among the Haldimand papers seems to indicate that its date would fall within the year 1780. It is very probable that the list has reference to the condition of the store at some period in the year 1780, whether under the original articles or not it is impossible to say. It is unfortunate that the list is undated, inasmuch as it contains some very interesting information. The total number of canoes comprising the outfit of the store is given as twenty-nine and one-fourth, and their total value is estimated at 438,750 livres. The merchants belonging to the concern resided at various places scattered over a wide range of territory, including Montreal, LaPointe, La Baye, St. Joseph's, Two Rivers, Matchidash, the Grand River, the Mississippi, La Riviere au Sable, and Detroit; all apparently, had business interests at Michillimackinac.





noted that this agreement in no wise altered the relationship between the individual traders and their correspondents at Montreal, the members of the General Store continuing to obtain their supplies as heretofore. They simply pooled their interests at the post for the purpose of ensuring order during the continuation of hostilities; and, on the whole, the plan seems to have fulfilled the purpose for which it was intended.<sup>1</sup> But it was a necessity for some form of trade supervision rather than economic considerations which led to the establishment of the store. The agreement was apparently renewed at the expiration of the year, although in just what form it is impossible to say, as there was some dissatisfaction with the original plan, and in spite of all Sinclair's efforts to the contrary, certain important changes were made in the management of the concern. From the viewpoint of the individual merchant, an unrestricted trade appeared to be more desirable than any additional security which might attend a coöperative enterprise.

Again in 1785, the merchants at the same post pooled their interests in another general store, which may be regarded as a forerunner of the Mackinac Company, an organization which played an important part in the trade of the Great Lakes' region until it was absorbed by John Jacob Astor's American Fur Company in 1808. Very little is known concerning the early history of this enterprise, even the date of its origin having been for long in doubt. The concern of 1785 was formed for

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<sup>1</sup>Sinclair to Haldimand, July 8, 1780. Michigan Pioneer Collections, IX, 561.



very different reasons from those which led to the establishment of the General Store of 1779. After the close of the Revolution, there followed a period of tremendous competition in the fur trade. The market was glutted with merchandise, and the consequence was that the individual interests of the traders began to suffer, and to this situation may be attributed the origin of the Michillimackinac enterprise as well as the Miami Company, which was formed at about the same time.<sup>1</sup> The general store organized in 1785 has been referred to by various names. According to Jean Baptiste Perrault, it was formed under the name of the General Company of Lake Superior and the South, but it was usually referred to as the General Society or the General Store.<sup>2</sup> The agreement of 1785 was to continue for a period of

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<sup>1</sup>The exportation of goods into the Indian country reached the high water mark about 1783, when the value of the merchandise for which licenses were issued was estimated at £226,922 currency. Returns of Indian Trade Licenses. Statistics for the year 1784 are lacking, but beginning with 1785 there was a decline, and in 1787, the value of the goods exported dropped to £97,972. These returns bear out the statements occurring in the correspondence of the time, to the effect that the market was glutted with merchandise, the result of which was great depression in the trade. Henry to Edgar, November 22, 1786, Letters and Accounts of the North-West Co., 77; Memorial of Joseph Howard to James Walker, Secretary to the Committee of Commerce, Montreal, January 11, 1787. Canadian Archives, series S, Indian Affairs; Askin to Todd & McGill, June 22, 1786, Burton Manuscript Collection, vol. 1, p. 181.

<sup>2</sup>Perrault Narrative, Michigan Pioneer and Historical Collections, XXXVII, 536. There are numerous references to the concern in the Proceedings of the Court of Inquiry. Michigan Pioneer and Historical Collections, XI, 514, et seq.; Edgar to Clark, October 23, 1786, Alvord, Kaskaskia Records (I. H. Col. V.), 395.





three years. Among the merchants joined in the enterprise were Gabriel Cotte, Andrew Todd, Etienne Campion, Charles Chaboillez, one Marchessau, Jean Baptiste Cadotte, John Sayer, and Charles Patterson. The operations of the Company extended over a wide range of country in the upper part of the Mississippi Valley, from Lake Superior southward to the Illinois country, and from Lake Michigan to the tribes dwelling far west of the Mississippi in Spanish territory. Three departments were organized and placed in charge of three directors; Charles Patterson was to superintend the trade of the upper Mississippi, Etienne Campion that of the lower Mississippi, while John Sayer was to take charge of the affairs of the Company in the Lake Superior region.<sup>1</sup> The enterprise seems to have been far from successful at the outset, however, Joseph Howard being authority for the statement that in 1786, the Company did not receive returns on more than two-fifths of the outfits sent into the Indian country.<sup>2</sup> Though the original agreement was for a term of three years, Perrault says that the Company broke up in 1787, due to the mismanagement and inexperience of a number of clerks who were thrown upon their own responsibility after the death of Charles Patterson, director for the department of the upper Mississippi. A reorganization was evidently effected at a

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<sup>1</sup>Perrault Narrative, Michigan Pioneer and Historical Collections, XXXVII, 537. Perrault's statements concerning the organization of the company are corroborated by various passages in the record of the "Proceedings of the Court of Inquiry" referred to in the preceding note.

<sup>2</sup>Memorial of Joseph Howard, January 11, 1787, Canadian Archives, series S, Indian Affairs.



later date, however, as references to the Mackinac Company are frequent until its final absorption in 1808. Very little is known concerning the character of this later concern, beyond the fact that it carried on an extensive trade in the Mississippi country and the region south of Lake Superior.<sup>1</sup>

The same causes which resulted in the establishment of the General Store at Michillimackinac led to the formation of the Miami Company by the merchants of Detroit. The trade at that post was in a very bad state during the years following the Revolution, as many more goods were sent into the Indian country than could be profitably disposed of, while the unrest of the Indians in the region northwest of the Ohio rendered the trade still more precarious for the individual merchant.<sup>2</sup> In order to avoid the evil effects of the competition from which they were all suffering, a group of Detroit merchants engaged in the Indian trade entered into a general partnership which was known as the Miami Company.<sup>3</sup> The agreement was probably formed in 1786 and the stock was divided into six shares, which in 1789 were held by the following Detroit merchants: Leith and Shepherd; Sharp and Wallace; Meldrum and Park; James Abbott; Angus Mackintosh; and John Askin.<sup>4</sup> The Company supplied outfits to those

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<sup>1</sup>Perrault Narrative, Michigan Pioneer and Historical Collections, XXXVII, 545.

<sup>2</sup>Henry to Edgar, September 1, 1785, Letters and Accounts of the North-West Co., 67; March 5, 1786, p. 71; November 12, 1786, p. 77; October 22, 1787, p. 81.

<sup>3</sup>Askin to Todd & McGill, June 22, 1786. Burton Manuscript Collection, vol. 1, 181.

<sup>4</sup>Power of Attorney to John Askin by the Miami Company,





resorting to the post of Detroit and at the same time carried on a trade of its own in the Indian country by means of hired clerks, who were forbidden to do any business on their own account.<sup>1</sup> At the time when the enterprise was launched, the members were of the opinion that their outfits might be reduced to less than half what they formerly amounted to, taken separately, and still they expected that their individual profits would be at least equal to, or greater than they were before the formation of the Company - all of which is an interesting commentary upon the depression which had resulted from extreme competition.<sup>2</sup> There is no way of learning to what extent their expectations were realized, but in general, the Indian trade of Detroit during this period does not appear to have prospered.<sup>3</sup>

By far the most important business development in the fur trade between 1763 and 1796 was the rise of the North-West Company, though its growth was so gradual that it is difficult if not impossible to say when it actually came into existence.<sup>4</sup>

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September 22, 1789. Burton Manuscript Collection, vol. 1, p.299.

<sup>1</sup>Askin to Vigo, March 15, 1786, Burton Manuscript Collection, vol. 1, p. 151; "Agreement between the Miami Co. and Gabriel Hunot, Trader," September 13, 1787, *ibid.*, 249; Instructions to Gabriel Hunot, September 13, 1787, *ibid.*, 253.

<sup>2</sup>Askin to Todd & McGill, June 22, 1786, Burton Manuscript Collection, vol. 1, p. 181.

<sup>3</sup>It is not even certain how long the Company continued in operation. That it was still in existence in 1789 is indicated by the power of Attorney granted to Askin in that year. Burton Manuscript Collection, vol. 1, p. 299.

<sup>4</sup>Probably the best general account of the North-West Company thus far written, is Alexander Mackenzie's, "A General History of the Fur Trade from Canada to the North-West," which



Prior to the conquest of Canada, the French had penetrated the country beyond Lake Superior and had opened up a considerable trade in the region, but as a result of the Indian war and general confusion which attended the English occupation, the traffic in furs ceased for a number of years.<sup>1</sup> Alexander Henry was among the first of the English traders to enter the Upper Country after the Conquest. By 1765 he had extended his operations to Chequamegon, on the south shore of Lake Superior, and in 1767, British traders were penetrating the Northwest as far as Lake Winnipeg, although these early efforts to extend the trade were greatly hindered by the hostility of the Indians.<sup>2</sup> In 1769, the Frobisher brothers formed a connection with Todd and McGill and, after one unsuccessful attempt, succeeded in reaching Lake Bourbon and opening up a trade with the tribes in that quarter. Thenceforth, the commerce of the Northwest was rapidly extended and new posts were established in regions unknown to the French.<sup>3</sup> Besides the merchants already mentioned, other pioneer traders in the region beyond Lake Superior were Jean Baptiste Cadotte, Peter Pond, and a Mr. Patterson.<sup>4</sup>

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serves as an introduction to his Voyages.

<sup>1</sup> Ante., 15.

<sup>2</sup> Benjamin and Joseph Frobisher to Haldimand, October 4, 1784, Canadian Archives Report, 1890, p. 50; Henry, Travels, Bain ed., 183 et seq.; Mackenzie, Voyages, ed. of 1902, I, p. xxix.

<sup>3</sup> Benjamin and Joseph Frobisher to Haldimand, October 4, 1784, Canadian Archives Report, 1890, p. 50. There were three of the Frobisher brothers who were interested in the fur trade, Thomas, Joseph, and Benjamin.

<sup>4</sup> Henry, Travels, Bain ed., 251, 253; Wisconsin Historical Collections, XIX, 163, n. 20.





According to L. R. Masson, the Frobisher brothers met Henry, Cadotte, and Pond while trading in the interior and formed an agreement which was the origin of the North-West Company.<sup>1</sup> This was probably the union referred to by Benjamin and Joseph Frobisher in the letter of 1784 already cited: "Taught however by experience that separate Interests were the Bane of that Trade we lost no time to form with those Gentlemen, [Todd & McGill] and some others, a Company," etc.<sup>2</sup> In 1778 another attempt was made to organize the trade of the region beyond Lake Superior, for which Grand Portage had become the general rendezvous.<sup>3</sup> It appears that during the early years of the Revolution, a new set of adventurers had entered the region and there followed an era of unrestrained competition, which resulted in much disorder and led certain of the older group to withdraw altogether.<sup>4</sup> It was doubtless this situation which led the northwest traders to petition Sir Guy Carleton, with the result that De Peyster sent an officer and a half dozen men to Grand Portage in the summer of 1778 to settle the disputes which were disturbing the commerce of the region.<sup>5</sup> Although

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<sup>1</sup>Masson, Bourgeois de la Campagnie du Nord-Ouest, I, 11.

<sup>2</sup>Canadian Archives Report, 1890, p. 50.

<sup>3</sup>It is said that this agreement took place at Sturgeon Lake, and that Henry, Pond, and the Frobisher brothers were among the traders who joined their interests at this time. Wisconsin Historical Collections, XVIII, 314, n. 39. See also Mackenzie, Voyages, ed. of 1902, I, p. xxxv.

<sup>4</sup>Canadian Archives Report, 1890, p. 50; Mackenzie, Voyages, ed. of 1902, I, pp. xxxi-xxxiv. Mackenzie likewise complained of the methods employed by the Hudsons' Bay Company.

<sup>5</sup>De Peyster to Haldimand, September 16, 1778, Michigan



definite information as to the purpose of the agreement of 1778 is lacking, it is very probable that it was formed with the idea of resisting the competition of the interlopers. The transaction of the business of the concern was placed in the hands of Joseph Frobisher and John McGill. The term "North-West Company" had by 1778 come into actual use as is revealed in the correspondence of John Askin, who was then located at Michillimackinac; and that the trade of these merchants had by this time reached considerable dimensions is indicated by a passage in one of his letters to Todd and McGill, in which he refers to "the great Co. (as we must now term them for distinction sake)."<sup>1</sup>

Those who were engaged in the trade centering at Grand Portage formed still another agreement in 1780, by which they combined their stock of goods and divided the enterprise into sixteen shares.<sup>2</sup> These shares were held by various Montreal firms which were in the habit of forwarding supplies for the northwest trade, among them being Todd and McGill; Benjamin and Joseph Frobisher; McGill and Patterson; and McTavish and Company. It is difficult to say precisely what was the relation between  
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Pioneer Collections, IX, 370; Askin to Beausoleille, May 18, 1778, Wisconsin Historical Collections, XIX, 239.

<sup>1</sup>Askin to Frobisher and McGill, June 13, 1778, Wisconsin Historical Collections, XIX, 245; Askin to Todd & McGill, June 14, 1778, ibid., 248.

<sup>2</sup>Grant to Haldimand, April 24, 1780. Canadian Archives Report, 1888, p. 61. The reasons for this pooling of interests may be best given in Grant's own words: "Last year the passes for the Indian goods were given out so late, that it was impossible to forward goods to the places of destination, especially in the North-West. For that reason those concerned in that quarter





this group of merchants and the "Company" to which Askin furnished supplies in 1778, but it is very likely that they were both made up of the same interests. Meanwhile, the northwest trade was growing rapidly, as is evidenced by the fact that in 1780 the annual returns in furs from that region were estimated to be worth £50,000 sterling, while nearly three hundred men were employed in the country beyond Lake Superior.<sup>1</sup>

Finally, in the winter of 1783 and 1784, the merchants trading to the Northwest definitely consolidated their interests by the formation of a sixteen-share company at Montreal, which was to last for a period of five years. No capital in the form of money was put into the enterprise but each share-holder furnished a certain proportion of the goods to be used in the trade. Benjamin and Joseph Frobisher were named directors of the company, it being their duty to superintend the making up of the outfits each year and the licenses required for the transportation of goods to the Upper Country were issued in their name.<sup>2</sup> All the merchants engaged in the commerce of this  
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joined their stock together and made one common interest of the whole, as it continues at present in the hands of the different persons or companies as mentioned at foot of this." Why the joining of their stock should have been any compensation for the delay in granting passes it is difficult to see.

<sup>1</sup>Petition from the North-West Traders, May 11, 1780, Canadian Archives Report, 1888, p. 61. This estimate was very likely a little high.

<sup>2</sup>Wisconsin Historical Collections, XIX, 163, n. 20; Frobisher to Mabane, April 19, 1784, Canadian Archives Report, 1888, p. 63; Mackenzie, Voyages, ed. of 1902, p.xlii; Masson, Bourgeois de la Compagnie du Nord-Ouest, I, 20; Returns of Indian Trade Licenses. Mackenzie says that Simon McTavish was likewise one of the directors.



region, however, were not satisfied with the new arrangement, and Peter Pond and Peter Pangman went to Montreal, where they sought the aid of John Gregory and Normand McLeod in the formation of a new company. They succeeded in organizing a rival concern and in 1785 established a post at Grand Portage, across the river from that of their rivals of the North-West Company, and proceeded to divide the region into departments for the purpose of trade.<sup>1</sup> Their competition could not have been a very serious matter, however, if one may judge from the number of canoes sent up by the opposing companies. Each year, from 1785 to 1790, the North-West Company sent up to the Grand Portage from twenty-five to thirty-four canoe loads of goods, as well as several bateaux by way of the Lakes, while their rivals did not send up more than nine canoes during any one year of the time in which they were in competition.<sup>2</sup>

Another agreement was formed by the North-West Company in 1787, this time for a period of nine years, while the number of shares was increased to twenty. The promoters of the rival concern were taken into the new company and thus opposition in that quarter was destroyed. Simon McTavish, Joseph Frobisher, and John Gregory became directors of the Company, and as a remuneration for their services, were given a commission in addition to their respective shares in the profits of the concern.<sup>3</sup>

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<sup>1</sup>Masson, Bourgeois de la Compagnie du Nord-Ouest, I, 21; Selkirk, British Fur Trade, 11; Mackenzie, Voyages, ed. of 1902, I, pp.xlii-xliv.

<sup>2</sup>Returns of Indian Trade Licenses.

<sup>3</sup>Wisconsin Historical Collections, XIX, 163, n. 20;





Another reorganization was effected in 1790, when certain members of the Company withdrew, their shares being purchased by their partners.<sup>1</sup> In 1798, the number of shares was increased from twenty to forty-six, more of the members retiring, while certain of the more enterprising clerks were promoted to partnership. The extent to which the affairs of the concern had prospered is revealed by the fact that at the time of the reorganization of 1798, there were in the employ of the Company fifty clerks, seventy-one interpreters, 1,120 voyageurs, and thirty-five guides.<sup>2</sup>

It will be apparent that the organization of the North-West Company differed from that of the company established at Michillimackinac in 1785 and from that of the Miami Company. The two last-named concerns, besides carrying on their business by means of hired clerks, likewise furnished outfits to private traders. The merchants of Detroit continued to secure their supplies from their correspondents at Montreal, just as they had done prior to the formation of the partnership. The North-West Company, on the other hand, conducted its own business through all its various stages, importing such goods as were

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Masson, Bourgeois de la Compagnie du Nord-Ouest, I, 30; Mackenzie, Voyages, ed. of 1902, p. xlv. The members of the Company who managed the business in the Indian country were known as "wintering partners." When partners holding double shares retired, certain of the clerks or "bourgeois" in the employ of the Company often succeeded to one of the shares, ibid., pp. xlvi-xlviii.

<sup>1</sup>Masson, Bourgeois de la Compagnie du Nord-Ouest, I, 42.

<sup>2</sup>Mackenzie, Voyages, ed. of 1902, I, p. liii.



required from London, and trading directly with the savages by means of hired clerks, or "bourgeois," the net proceeds being divided among the various partners in proportion to the shares which they held in the Company. Such a system not only rendered possible a strict supervision of the trade in all its stages, but also did away with the middleman's profits.

Thus there was a tendency for the fur trade to become centralized, instead of remaining under the control of a large number of individuals. There is no way of ascertaining the number of traders operating in the Indian country itself, but a study of the returns of trade licenses issued from 1777 to 1790 clearly indicates that the trade between Montreal and the Upper Country was becoming centered in fewer hands. The number of individual traders and companies who were licensed to carry goods to the Upper Country in 1790 was only about half the number to whom passports were issued in 1777. During the earlier years, the names of a great many small traders appear whose outfits consisted of but a single canoe-load of goods, while in 1790, on the other hand, the name of but one trader appears in the returns, whose outfit consisted of a single canoe.<sup>1</sup> The economic conditions which characterized the fur trade favored the development of the large-scale enterprise, the small trader tending to disappear, with the result that before 1800, the tendencies which were to centralize the control of the trade in the hands of two or three great companies had already begun to be clearly defined.

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<sup>1</sup>Returns of Indian Trade Licenses.





## CHAPTER VI.

The Fur Trade Process

Though repeated references have been made to the small traders who obtained their merchandise at Detroit and Michillimackinac, nothing has been said concerning their activities in the Indian country. While the complex mechanism of distribution which grew up in connection with the fur traffic underwent a remarkable development, the very nature of the trade in the wilderness caused it to change but little and until the time when the industry itself disappeared, the wild and adventurous lives of those who carried their goods to the hunting grounds of the interior continued to shed a glamor of romance over the peltry trade. On the other hand, this is an aspect of the subject which can be little more than mentioned at this point, and indeed, the lives and adventures of these forest argonauts may be best studied in their own diaries and journals.

Upon the approach of winter, the Indians were accustomed to depart from their summer camps for the hunting grounds. It was the practice of the traders either to follow the savages to their wintering grounds, or to establish themselves where they might intercept them as they passed back and forth through the interior or returned in the spring with their peltry; so in the late summer or fall, before the ice should render the streams impassable for their canoes, they departed from the posts whence they drew their supplies and set out for the Indian country. Having selected a suitable spot, the trader erected a shelter of



some sort and made ready to open up his winter's traffic.<sup>1</sup>

As soon as his whereabouts became known, he was very apt to receive visits from bands of Indians hunting in the neighborhood; and if they brought furs with them, he endeavored by shrewd bargaining and a liberal use of rum, to secure them in exchange for such goods as the savages regarded as necessities.<sup>2</sup> If the trader considered the Indians with whom he was dealing trustworthy, he gave them credit, -- that is to say, advanced them certain goods, relying upon their bringing back the returns from their hunts in order to settle the account.<sup>3</sup> This was a custom which was much followed, and appears to have been a fairly satisfactory method of conducting the trade, though the Indians occasionally stole their credits, carrying off their furs to some rival trader, a practice in which they were often encouraged by the latter.<sup>4</sup> In the actual barter with the Indians, the "plus" was the unit of value, being reckoned at one beaver skin. Credits, as well as the values of goods and skins, were reckoned in "plus."<sup>5</sup>

The Indian trade required a high degree of ability and resourcefulness on the part of those engaged therein, and no little courage as well. The visits of the savages to the trad-

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<sup>1</sup>Perrault Narrative, Michigan Pioneer and Historical Collections, XXXVII, 526; Long's Voyages, 1768-1782, Thwaites, Early Western Travels, II, 122, 132; Pond's Journal, Wisconsin Historical Collections, XVIII, 340.

<sup>2</sup>Perrault Narrative, Michigan Pioneer and Historical Collections, XXXVII, 526, 531, 562.

<sup>3</sup>Ibid., 515, 538, 562.

<sup>4</sup>Ibid., 547.

<sup>5</sup>Missouri Historical Collections, 1912, p. 33, note.





er's headquarters were usually made the occasion for drunken "frolics," which often ended disastrously to one or more of the participants and occasionally to the trader himself.<sup>1</sup> The whims of the savages must be studied and a certain degree of restraint exercised over them without losing their friendship. Though the trader's existence was never humdrum, to say the least, it was sometimes enlivened by competition, the strenuous nature of which is revealed in a passage from Perrault's narrative in which, referring to his rivalry on one occasion with a trader by the name of Giasson, he says, "I assure you that I did not Sleep for more than fifteen nights in my bed, and it was with difficulty that we bore off the honors. mr. giasson got only 5 packs, and we had taken enough to make 14-1/2."<sup>2</sup> It was little wonder that experience was regarded as the most valuable asset which a trader could possess.

Thousands of miles removed from the wilderness in which the trader lived and bartered with the Indians, though closely linked thereto by the great business organization which has already been described, was the city of London, the fur market of the world and the clearing house for practically all the peltry gathered in North America. Besides those exported from Canada,

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<sup>1</sup>Long's Voyages, Early Western Travels, II, 92, 93. Both Long's Voyages and the Perrault Narrative contain numerous descriptions of these "frolics."

<sup>2</sup>Perrault Narrative, Michigan Pioneer and Historical Collections, XXXVII, 542.



many furs were annually sent to England from the region occupied by the Hudson's Bay Company, Nova Scotia, and Newfoundland, while a few found their way to the English market from the United States.<sup>1</sup> Great public sales were held in London each year, usually during the months of January, February, and March, which were attended by some of the leading fur merchants of Europe or their agents.<sup>2</sup> With the exception of beaver skins, a comparatively small amount of the peltry which came to the London market was actually used in England. In 1789 or thereabouts, it was estimated that about five-eighths of the beaver imported into Great Britain was consumed at home in the manufacture of hats, while the remainder was sold abroad. A considerable number of fox and deer skins were also used in England but of the other varieties of peltry imported from North America, by far the greater number, including marten, otter, raccoon, muskrat, cat, bear, etc., were exported to various European countries. A very large number of the furs sold in the London market found their way to Germany, France, and Russia, while a smaller number were purchased by the merchants of Italy, Spain and Holland. According to an estimate which was probably drawn up about 1790, the value of the returns in peltry annually imported to England was

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<sup>1</sup>"Importation of Skins from Canada 1788 and sold in January, February, and March 1789." Canadian Archives, series Q, vol. 43-2, p. 826. The total value of the peltry sold is placed at £ 191, 277. See also, American State Papers, Commerce and Navigation, I, 160.

<sup>2</sup>"Importation of Skins from Canada." Canadian Archives, series Q, vol. 43-2, p. 826. It is apparent from a study of various account sales of furs, together with the correspondence of the merchants themselves, that the sales were generally held in January, February, and March. Foreign-looking names of purchasers



The first part of the paper is devoted to a general discussion of the problem of the origin of life. It is shown that the problem is not only a scientific one, but also a philosophical one. The scientific aspect of the problem is concerned with the question of how life arose from non-life. The philosophical aspect is concerned with the question of whether life is a necessary part of the universe or whether it is a mere accident. The author argues that the scientific aspect of the problem is more important than the philosophical aspect. He shows that the scientific aspect of the problem is a more difficult one to solve than the philosophical aspect. He also shows that the scientific aspect of the problem is a more interesting one to solve than the philosophical aspect. The author concludes that the scientific aspect of the problem is the one that should be given priority in the study of the origin of life.

The second part of the paper is devoted to a detailed discussion of the scientific aspect of the problem. It is shown that the scientific aspect of the problem is a very difficult one to solve. The author shows that the scientific aspect of the problem is a more difficult one to solve than the philosophical aspect. He also shows that the scientific aspect of the problem is a more interesting one to solve than the philosophical aspect. The author concludes that the scientific aspect of the problem is the one that should be given priority in the study of the origin of life.

from £ 200,000 to £ 250,000, of which amount, furs to the value of only some £ 60,000 were consumed at home, while the remainder were shipped abroad. China was the ultimate destination of a large part of the peltry which was exported from North America. Prior to 1785, most of the beaver and otter skins which were sent to Russia were re-exported to China, being carried overland through Siberia, but this trade had to be discontinued to a large extent because of the fact that communication between the two countries was interrupted.<sup>1</sup> The result was that a direct trade was opened up by British merchants with China, furs being carried to Canton in the East India Company's ships.<sup>2</sup>

In view of the fact that a great deal of the peltry sent to London was reshipped to various European countries, it is

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occasionally appear in these accounts as for example, Shrieber, Weigand, Thellison, and Putt. "Account Sales of Furs," May 6, 1779, Toronto Public Library, vol. B. 75, p. 240.

<sup>1</sup>Two reasons for this interruption of the trade were given; one to the effect that communication between Russia and China was shut off because of a war between the former nation and the Turks; the other being that the interruption was occasioned by a dispute between the Russians and the Chinese themselves. Frobisher to Coffin, Powell, and McGill, February 1, 1788, Frobisher Letter Book, 42; "Observations relating to the proposed Settlement on the N. W. Coast of Am<sup>a</sup>." Canadian Archives Transcripts, C. O. 42, vol. 21, p. 107.

<sup>2</sup>When Lord Macartney was sent to China to negotiate a commercial agreement, a committee of London merchants petitioned that he be instructed to try and arrange for the importation of beaver and other furs, on as favorable terms as possible. Merchants to Dundas, August 10, 1792. Canadian Archives, series Q, vol. 61-2, p. 463. A project was also formed for a direct trade with China, to be carried on from the northwest coast of North America. "Observations relating to the proposed Settlement on the N. W. Coast of Am<sup>a</sup>." Canadian Archives Transcripts, C. O. 42, vol. 21, p. 107.



not at all strange that the market should have been very sensitive to shifts and changes in continental politics, and that the fur sales should have been affected in very marked degree by wars and rumors of wars. The interruption of the trade between Russia and China, which has just been noted, caused a marked decline in the price of furs in London, beaver and otter being particularly affected, inasmuch as St. Petersburg had previously been the principal market for those varieties.<sup>1</sup>

The international upheaval accompanying the French Revolution likewise had a very injurious effect upon the market. As the war clouds gathered over Europe, the forebodings of the merchants increased and early in 1790, John Richardson wrote from London, "I tremble for the Fur Sales - but a general Commotion in Europe must be ruinous to them." <sup>2</sup> His fears were not without justification, for in January of 1793, before the actual outbreak of hostilities between England and France, the gravity of the situation was clearly reflected in the state of the market. Hudson Bay beaver which in the preceding season had sold for nineteen and twenty shillings a pound dropped to thirteen and fifteen, while merchants anticipated a fall in prices equal to twenty or thirty per cent as a result of the impending struggle.<sup>3</sup> When France

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<sup>1</sup>Letter to Thomas Williams & Co., October 24, 1785, Burton Manuscript Collection, vol. 819, p. 100; Frobisher to Coffin and Powell, January 10, 1788. Frobisher Letter Book, 37.

<sup>2</sup>Richardson to Porteous, February 15, 1790, Canadian Archives, M. 852.

<sup>3</sup>Robertson to Askin, January 31, 1793, Burton Manuscript Collection, vol. 2, p. 88.





finally declared war on England in April of 1793, a commercial panic ensued, and in the general demoralization of business, those engaged in the Canada trade suffered along with the rest.<sup>1</sup> The price of furs went still lower and certain of the merchants of Quebec suffered an actual loss on the peltry which they had consigned to their London agents to be sold. William Robertson of Detroit, who was abroad at the time, reported that upwards of 40,000 furs bought in London had been shipped to New York and Philadelphia, a fact which is a rather interesting commentary on the trade situation, as the United States was not usually regarded as a market for the peltry sold in England. Robertson advised his friend John Askin to withdraw from the Indian trade so far as possible as there was no prospect that the situation would mend in the near future.<sup>2</sup> The feelings of those interested in the fur trade are well illustrated by the words of John Richardson: "The Returns from the Indian Country are this year very bad, which with the great fall in prices at home, will go nigh to ruin every man concerned in the Trade--F. R. & Co. [Forsyth, Richardson, and Company] are most severe sufferers by last years Shipments--May all the curses of Emaulphus fall upon those Sans Culottes Villains of France?"<sup>3</sup>

Though accurate information concerning the state of the London market is meager, the statistics quoted in the ap-

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<sup>1</sup>Robertson to Askin, April 10, 1793, Burton Manuscript Collection, vol. 2, p. 121.

<sup>2</sup>Robertson to Askin, April 23, 1793, ibid., 133.

<sup>3</sup>Richardson to Porteous, August 15, 1793, Canadian Archives, M. 852.



pendent note are sufficient to show certain of the fluctuations in the price of furs during the years which followed the Revolution.<sup>1</sup> Prices in 1784 were unusually good, but by 1789, the interruption of the communication between Russia and China had made its influence felt. In 1793, rumors of approaching war caused a still further decline. By 1802, however, prices had begun to rise again. Needless to say, merchants in England endeavored to keep their friends and correspondents in America in close touch with the condition of the London market, and their letters throw many interesting sidelights upon the havoc played by European complications.<sup>2</sup>

The problem of transporting goods and peltry between the Indians' hunting grounds and the London fur market was one of the principal economic factors which the merchants and traders

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<sup>1</sup>The following table will show the fluctuations in the prices of a few common varieties of peltry.

	1784	1789	1793	1802
Otter	27/ - 50/	23/10	18/	28/6
Mink	4/6 - 6/	2/ 4	2/	4/6
Raccoon	3/8 - 5/6	2/ 9	1/9	3/4
Bear	40/6 - 50	21/ 8	30/	55/

The figures quoted for 1784 are from "A Price Current of Skins, & c. imported at London, from Canada." Burton Manuscript Collection, vol. 818, p. 177; those for 1789 are the average prices at which these particular furs sold in January, February, and March of that year, and are to be found in Canadian Archives, series Q, vol. 43-2, p. 826; those for 1793 are the prices paid for an assortment belonging to William Grant, from an account sales in the Baby MSS.; the prices quoted for 1802 are averages, taken from an enclosure in a letter of Milne to Hobart, October 30, 1802, Canadian Archives, series Q, vol. 89, p. 144.

<sup>2</sup>Sansom & Co. to Thomas Williams & Co., March 16, 1784, April 5, 1784. Burton Manuscript Collection, vol. 817, p. 36.





were obliged to take into account. There were two routes from Montreal to the posts of Michillimackinac and Detroit, the one by way of the Grand or Ottawa River, Lake Nipissing, and the French River, and the other by way of the St. Lawrence and the Great Lakes. Most of the trade of Detroit and its dependencies was carried on by the southern route, although peltry was occasionally shipped to Michillimackinac, to be sent down by way of the Ottawa River.<sup>1</sup> The Michillimackinac trade was carried on through both channels, furs and merchandise, including rum, firearms, and ammunition, being as a general rule transported over the northern route, while bulkier articles, such as corn, flour, and other provisions, were carried by way of the lakes, though furs were also occasionally sent down to Montreal from that post in sailing vessels. Indian goods might also be sent up by way of the lakes when there was no particular hurry for them.<sup>2</sup>

Communication between Montreal and Michillimackinac was much more rapid by way of the Ottawa River than by the lake route, the relative distance being very much shorter, as may be

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<sup>1</sup>A list of exports from Detroit to Michillimackinac and St. Mary's between April 15 and November 20, 1793, includes 1979 packs of peltry, Canadian Archives, series Q, vol. 280-2, p. 396. In all probability these furs were carried from Michillimackinac down to Montreal in canoes.

<sup>2</sup>Reeves to Grant, Campion, & Co., August 31, 1794, Baby MSS. See Returns of Indian Trade Licenses for list of canoes going to the Upper Country by way of the Ottawa River. A series of letters written by John Askin in 1778 throws a good deal of light on transportation in the Upper Country at the time of the Revolution. Wisconsin Historical Collections, XIX, 235-259.



seen from a glance at the map. The Ottawa River route was a difficult one, however, because of the large number of falls and rapids which interrupted navigation, there being upwards of forty carrying places between Montreal and Michillimackinac, where the canoes must be unloaded and their cargoes transported, sometimes for considerable distances, on the backs of the engagés. The character of the stream in fact rendered navigation impossible for anything excepting canoes.<sup>1</sup> To one who holds the modern conception of such craft, however, the load which could be carried in one of the old "Northwest canoes" is rather surprising. The cargo was generally three or four tons in weight and as the canoe was navigated by eight men and occasionally carried one or two clerks besides, the load was increased by several hundred pounds. The canoes themselves were made of birchbark and in size were perhaps thirty-five feet long, four or five feet wide, and two feet and a half in depth.<sup>2</sup> The average cargo of peltry consisted of about thirty-six packs, while the voyage from Michillimackinac to Montreal was often accomplished in three weeks though of course the time required might vary considerably.<sup>3</sup>

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<sup>1</sup>Frobisher to Hamilton, May 2, 1785. Canadian Archives Report, 1890, p. 55.

<sup>2</sup>Canadian Archives, series Q, vol. 280-2, p. 403. For a good description of the fur-carrying canoe and its navigation, see Henry, Travels, Bain ed. 13 et seq.

<sup>3</sup>Canoe Driver's Receipts, Baby MSS. Many of the letters in the Baby collection bear the dates on which they were received, in the form of an endorsement. By comparing the endorsement with the date of the letter itself, it is possible to determine the length of time consumed in the journey from Michillimackinac. According to an anonymous account of a trip to the





The economic importance of transportation in the business of the fur trade is evidenced by the fact that the freight on a ton of goods carried by canoe from Montreal to Michillimackinac by way of the Ottawa River was estimated at more than forty-seven pounds.<sup>1</sup>

Trade by the southern route was carried on in bateaux and sailing vessels, the former being employed to carry goods and furs on the St. Lawrence between Lachine and the outlet of Lake Ontario, while either sailing vessels or bateaux might be used upon the lakes. During the Revolution and the years which followed, when ~~the~~ navigation by vessels other than the King's ships was prohibited, merchandise was unloaded from the bateaux at Carleton Island and placed aboard ship. The goods must be unloaded again at Niagara and transported across the carrying place, after which they were reloaded in the King's vessels at the foot of Lake Erie, whence communication with Detroit and Michillimackinac was uninterrupted.<sup>2</sup> After the restriction upon the navigation of the lakes in private vessels had been removed, merchant shipping increased with considerable rapidity.

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Upper Country in 1793, contained in the Masson collection, a little more than a month was required for the journey from Lachine to the Sault.

<sup>1</sup>Canadian Archives, series Q, vol. 280-2, p. 403.

<sup>2</sup>Information concerning the navigation of the lakes has been derived from numerous petitions and letters upon the subject of trade and navigation, as for example, the memorial of the merchants of Montreal, Michigan Pioneer and Historical Collections, XX, 58.



To give a detailed account of the communications between Detroit and Michillimackinac and the posts and hunting grounds in the Indian Country would require more time than can be given the matter here. There were, however, certain well-defined channels through which passed the greater part of the commerce of the interior. Many of those who resorted to upper Louisiana reached the Mississippi by way of Lake Superior and the St. Croix River.<sup>1</sup> Traders had access from Lake Michigan to the Mississippi by two principal routes: they could go either by way of the Fox and Wisconsin Rivers, or by way of the Illinois, the latter stream being reached either by the Chicago River, or by the St. Joseph and the Kankakee.<sup>2</sup> Traders going from Detroit to Vincennes and the surrounding country ascended the Miami River and crossed a portage to the Wabash;<sup>3</sup> while numerous rivers and portages gave access to the Shawnee country and other more eastern parts of the Ohio valley. These interior streams were usually navigated in canoes, goods being carried across the portages by means of carts or horses, or on the backs of the engagés. Certain of the portages and carrying places which have been mentioned were granted to individuals, who enjoyed exclusive rights to the transportation of goods for the merchants and traders resorting thereto. Privileges of this sort were granted at the carrying place of Niagara and the Miami portage.<sup>4</sup>

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<sup>1</sup>Winsor, The Westward Movement, 468.

<sup>2</sup>Dickson to Hamilton, July 14, 1793, Canadian Archives, series Q, vol. 280-2, p. 364; Hulbert, Portage Paths, 165.

<sup>3</sup>Hulbert, Portage Paths, 164.

<sup>4</sup>Petition of Alexander Ellice in Behalf of Detroit





The most picturesque of all the persons engaged in the fur trade were the "voyageurs" who navigated the canoes and bateaux on the great system of lakes and rivers of the Northwest. They were nearly all French-Canadians and formed a distinct class whose principal occupation was the navigation of the trading craft between Lachine and the upper posts, as well as between the upper posts and the Indian country. The voyageur or engagé, as he was usually called, was obliged to enter into a formal contract with his employer in the presence of a notary public at Montreal before setting out for the Upper Country. This contract, or engagement, as it was called, indicated the place to which he agreed to go, the time when he was to be allowed to return, the amount of his wages, and the equipment which was to be furnished him before setting out. The homes of a great many of the engagés were in Montreal and the little French villages thereabouts and some of the engagements even indicate the parish to which they belonged. They were for the most part an uneducated class, as is shown by the fact that a majority of them were unable to sign their names to these contracts. Those who navigated the canoes were designated according to their position in the craft. There was the milieu, or middleman, the devant, and the gouvernait, the last two being persons of particular skill, who occupied respective positions in the front and rear ends of the craft; the canoe itself, or the brigade, if there were more

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Merchants, May 26, 1779. Michigan Pioneer and Historical Collections, XIX, 424; Letter to Major Bassett, October 10, 1773, Michigan Pioneer and Historical Collections, X, 256.



than one, was under the charge of a guide.<sup>1</sup> Besides those who manned the canoes and bateaux, there were the matelots, or sailors, who bound themselves to serve for a given period on board merchant vessels sailing the lakes.<sup>2</sup> When a canoe set out from Michillimackinac the guide in charge gave a receipt, containing a statement of the furs entrusted to his care, promising to deliver the canoe and its cargo intact to the persons to whom it was consigned, "saving the risks of the River."<sup>3</sup> The canoe and the engage were both relics of the old French regime, which the British merchants found at their disposal when they entered Canada. The personnel of those engaged in the business of the fur trade gradually changed, but this was not true of the men who navigated the canoes upon the mighty lakes and rivers of the Northwest. As a means of transportation, neither the canoe nor the engage could be improved upon by the newcomers and the French-Canadian voyageur, with his picturesque attire and rollicking songs remained to add a touch of color and romance to the fur trade until the industry itself finally disappeared.<sup>4</sup>

There has been a tendency to picture the fur trade in glowing colors from the business standpoint; and sometimes one

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<sup>1</sup>Voyageurs' engagements, Notarial Records, Archives of Montreal; Henry, Travels, Bain ed., 14; Mackenzie, Voyages, I. p. 14.

<sup>2</sup>Notarial Records, Archives of Montreal.

<sup>3</sup>Canoe-Man's Receipt, Baby MSS.

<sup>4</sup>For some of the songs of the Canadian voyageurs, see Hunt's Merchants' Magazine, III, 189.





is apt to receive the impression that the industry was tremendously profitable for all concerned, all that was necessary in order to make a fortune being for the trader to sally forth into the wilderness, give the Indians a few trinkets in exchange for furs of ten times their value, carry the peltry to market, and reap the profit. But there were heavy expenses and large risks involved in the conduct of the fur trade, an occupation in which experience and shrewd judgment were essential to success, just as in any other form of business. In many cases the outfits which were finally traded to the Indians were made up of goods which were received at third or fourth hand, and upon which a profit or commission was received by the London firm, the Montreal merchant, and the trader at Michillimackinac or Detroit. The same was true of the furs which were marketed in London.<sup>1</sup> After making due allowance for the pessimism which often characterizes business correspondence, the lugubrious tone of many of the letters which passed between the merchants and traders of the period leads one to the conclusion that the fur traffic was by no means always an easy and certain road to wealth.

In addition to the items of expense which were to be anticipated in the ordinary course of events, the conditions under which the fur trade must be carried on rendered it subject to very great business risks. The transportation of goods and

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<sup>1</sup>David McCrae & Co. in Account with William Kay. Toronto Public Library, vol. B. 75, pp. 170-241. These accounts, which are of various dates from 1777 to 1782, are very illuminating with regard to the numerous expenses involved in the conduct of the fur trade. Account Sales of Furs, Baby MSS.



peltry was necessarily attended by very considerable danger, the passage of the Ottawa River being particularly perilous, due to the turbulence of the stream and the frail character of the craft in which it was navigated. Mishaps were numerous in which both engagés and cargo were lost, and in 1791, a bill was enacted by the Legislative Council of Quebec, prohibiting the sale of liquor to voyageurs along a certain stretch of the Ottawa River, in order to avoid the many accidents which occurred when the canoemen endeavored to shoot the rapids while in an intoxicated condition.<sup>1</sup> When it is remembered that a canoe carried a cargo which was worth anywhere from £ 200 to \$700 currency, and sometimes even more, the loss of even a single one was a very serious matter to the owner from a financial standpoint, to say nothing of the sacrifice of life which generally accompanied such accidents.<sup>2</sup>

Delay in the transportation of goods to the Upper Country was one of the most dreaded of all the uncertainties attendant upon the traffic in furs, the reason lying in the fact that the various operations connected with the trade were so largely dependent upon climatic conditions. Streams and lakes could be navigated only during certain seasons of the year, and hence delay in the transportation of merchandise at any stage was apt to be the source of considerable loss and inconvenience to the merchant. In 1784, merchandise was late in arriving at Detroit, and as a result could not be sent out into the Indian

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<sup>1</sup>Michigan Pioneer and Historical Collections, XXIV, 205.

<sup>2</sup>Returns of Indian Trade Licenses.





country until the season was far advanced; but before it could be carried to its destination, winter set in and the goods were frozen up in the Miami River, where they remained until spring. The merchants declared that in consequence of this delay, about 1000 packs of peltry which would ordinarily have come to Detroit found their way to the market at New Orleans.<sup>1</sup> Such incidents were the more vexatious inasmuch as the traders' goods were nearly always obtained on credit, and hence they were obliged to pay interest charges on which they received no corresponding return. In 1785, while the navigation of the lakes in private vessels was prohibited, the merchants of Detroit declared that they were paying an annual interest charge of £ 3700 sterling on goods which were then lying at Carleton Island and Niagara.<sup>2</sup>

Besides the danger of loss through Indian wars, from which the merchants often suffered,<sup>3</sup> the absence of any recognized authority together with the generally lawless conditions which prevailed in the interior rendered the fur trade a still more precarious occupation. Merchants who advanced outfits to the traders resorting to the upper posts necessarily ran some risk of not receiving the returns due them. On the whole, however, this danger was perhaps less than might be supposed, considering

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<sup>1</sup>Petition of the Merchants of Detroit, July 16, 1785. Michigan Pioneer and Historical Collections XI, 459; Henry to Edgar, June 23, 1785. Letters and Accounts of the North-West Co., 65. <sup>2</sup>Petition of the Merchants of Detroit, July 16, 1785, Michigan Pioneer and Historical Collections, XI, 460.

<sup>3</sup>See, for example, the Memorial of the Merchants of Montreal, April 4, 1786. Michigan Pioneer and Historical Collections, XI, 483; Henry to Edgar, November 12, 1786. Letters and Accounts of the North-West Co., 77.



the lack of facilities for the collection of debts. Under ordinary circumstances, a trader who attempted to cheat his outfitter of the returns which he owed, thereby rendered himself virtually an outlaw, as he would not dare to return to the post where his creditor lived. So long as there was but one market available in which furs might be disposed of, the outfitter ran comparatively little risk of being wilfully cheated by those whom he supplied. But the proximity of foreign markets altered the situation; there was always the temptation for a trader who happened to be heavily in debt, instead of carrying his returns to the post at which he had secured his outfit, to resort to some other place where he might obtain ready money for his returns.<sup>1</sup> This was the situation which existed in a large part of the Indian country dependent upon Detroit, it being comparatively easy to carry furs either to the Atlantic seaboard or to the Spanish market at New Orleans. Todd and McGill of Montreal were not inclined to regard the trade in this region with a great deal of favor in 1786, because of the danger that traders might steal their credits by carrying furs either to the American states or to New Orleans.<sup>2</sup> The trader in the Indian country was confronted with the same problem in his relations with the Indians but he depended in large measure upon his personal influence over the savages in order to protect himself against loss.

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<sup>1</sup>Clark to Todd, April 25, 1798, Burton Manuscript Collection, vol. 5, p. 15.

<sup>2</sup>Todd & McGill to Askin, December 20, 1786, Burton Manuscript Collection, vol. 1, p. 217.





British merchants had little to fear from the rivalry of foreign traders during the period under consideration; in fact, it was the foreign merchant who suffered from the competition of the British. But a more serious matter was the competition between British traders themselves in the Indian country, many of whom made it a practice to secure the furs which should have been turned over by the Indians to their rivals, from whom they received their credits.<sup>1</sup> The manner in which competition demoralized the trade by causing the importation of great quantities of goods into the Indian country after the Revolution has been mentioned in another connection, together with the measures which were adopted in order to eradicate the evil.

As in other industries, fluctuations in market prices introduced an element of uncertainty into the business of the fur trade. The merchant must always be on the qui vive in order to purchase the varieties of furs which could be sold most advantageously, and to secure them at such prices as might ensure him a profit. This was not always an easy matter inasmuch as the prices of the different varieties of furs fluctuated in accordance with variations in the demands of the European market. Slow communication between the London market and the Indian country further increased this element of uncertainty, but those in touch with the situation kept their correspondents informed so far as possible by means of letters.

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<sup>1</sup>Rival traders appear to have suffered no qualms of conscience in receiving furs from Indians who had stolen their credits. Perrault Narrative, Michigan Pioneer and Historical Collections, XXXVII, 547.



Besides the various factors which have been mentioned, there was always the danger of poor returns from the Indian country, due to ill success on the part of the Indians, or climatic conditions, perhaps. Good returns in the form of furs, both as regards quantity and quality were no more definitely assured than the obtaining of good crops in agriculture.<sup>1</sup> Perhaps the dangers and uncertainties connected with the industry have been unnecessarily dwelt upon but it has seemed desirable to emphasize the fact that the traffic in furs required the same experience and sound judgment for its successful prosecution which are essential to any business enterprise. Too many persons have the same opinion regarding the fur trade as was expressed by a traveller in America in 1776. Commenting upon the dangers undergone by the traders, he naïvely states that the only compensation for these perils is the certainty of acquiring an ample fortune in the course of three or four voyages!<sup>2</sup>

In the absence of adequate material in the form of accounts relating to the larger firms engaged in the fur trade, it is difficult to make any exact statement concerning the profits derived from the industry. Judgment must in such a case necessarily be based upon the general external aspects of the business and upon such miscellaneous correspondence as has been preserved.

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<sup>1</sup>The success of the Indian's hunting depended to a certain extent upon climatic conditions, a fall of snow being considered desirable for the hunt.

<sup>2</sup>Anburey, Travels, I, 125. Letter dated Montreal, November 26, 1776.





The profits secured by the small traders who wintered among the Indians seem in many cases to have been very modest, as, for example, in the case of Jean Baptiste Perrault, who formed a partnership with one Thomas Richardson and spent the winter of 1788 and 1789 trading with the Indians. The two men carried their furs back to the post of Michillimackinac in the summer of 1789 and made settlement with their outfitter. Perrault says in his journal: "We had hoped to make a little profit, but the messieurs [meaning the outfitters] were Accustomed to give themselves free rein in The purchase of skins, and each year they lowered the price more and more, until one could hardly make both Ends meet. They took back all that remained to us, canoe and rigging."<sup>1</sup> The following season he and Alexis Reaume entered into a partnership, which appears to have been more successful than that of the preceding year, for the two succeeded in making \$125, "Current value," over and above expenses.<sup>2</sup>

The outfitters at the posts of course made larger profits than did the traders whom they supplied, but they were by no means certain to make a fortune "in three or four voyages." John Askin, of Detroit, after having been connected with the fur traffic for nearly twenty-five years, in 1801 found the state of his affairs so low that he considered it advisable to withdraw from that branch of trade altogether.<sup>3</sup> It is safe to say, on

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<sup>1</sup>Perrault Narrative, Michigan Pioneer and Historical Collections, XXXVII, 555.

<sup>2</sup>Ibid., 556.

<sup>3</sup>Askin to Henry, December 30, 1801. Burton Manuscript Collection, vol. 11, p. 89.



the whole, that there was nothing phenomenal in the gains made by the ordinary small merchant engaged in the trade, though in the case of the North-West Company the situation was somewhat different. There is every indication that the merchants belonging to that concern really met with most gratifying success, the rapidity with which the company grew and extended its operations during the last quarter of the eighteenth century affording pretty good evidence of the profitable character of the trade.

The merchants who operated in the Great Lakes' region did not derive all their profits from the traffic in furs. There was a great deal of business carried on in the Upper Country which was rather auxiliary to and dependent upon the peltry trade. The furnishing of provisions and supplies of various sorts to those who lived at the upper posts and in the interior was in itself an important branch of commerce. The North-West Company depended largely upon the supplies drawn from Detroit and certain parts of the Indian country for the provisioning of their traders.<sup>1</sup> The traffic in corn and grease was a very considerable item in the commerce of the Upper Country, and John Askin, in addition to his general trade and Indian ventures, carried on a

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<sup>1</sup>Transportation of Goods to the Upper Country in 1778, Michigan Pioneer and Historical Collection, XIX, 339; Memorial of the Merchants of Montreal, April 19, 1781. Ibid., 620. Corn for the use of the traders and garrisons at the posts was secured from various parts of the Indian country, as Arbre Croche, Saginaw, and Milwaukee. Mompesson to DePeyster, September 20, 1780, ibid. 575. Frobisher to Brickwood, June 30, 1788, Frobisher Letter Book, 59.





very profitable business by supplying provisions to the North-West Company.<sup>1</sup>

Not even all the Indian goods which were carried to the Upper Country were actually bartered for furs. The British government was in the habit of giving enormous quantities of supplies to the Indians in the form of presents. Often the merchants found it more profitable to sell goods to the government to be distributed among the savages than to use them in carrying on the peltry trade. The extent to which this sort of trade was carried on is evidenced by the large numbers of bills drawn in favor of traders at the upper posts for supplies furnished the Indian department.<sup>2</sup> This practice of purchasing supplies from the merchants, however, led to abuses, for they charged exorbitant prices for their goods, the outcome of which was that the government made an effort to reduce expenses by ordering the commanders at the posts to purchase as little as possible from the traders.<sup>3</sup> The merchants were even accused of exhibiting valuable goods to the Indians in order that the latter might request the British commandant to make them presents of those particular

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<sup>1</sup>In 1778, Askin was engaged in supplying provisions to the northwest traders. His letters in the Wisconsin Historical Collections, XIX, 234-258, throw much light upon this sort of traffic. In 1793, he entered into a three-year contract with the North-West Company, by which he agreed to deliver annually a certain quantity of corn and flour; another similar contract was entered into in 1796, likewise for a period of three years. Burton Manuscript Collection, vol. 2, p. 16; vol. 3, p. 158.

<sup>2</sup>See accounts of bills drawn by commanders at the upper posts, Michigan Pioneer and Historical Collections, XX, 206-212.

<sup>3</sup>Haldimand to DePeyster, May 8, 1780, Michigan Pioneer Collections, IX., 634.



articles and thus oblige him to purchase them.<sup>1</sup>

The relation between the fur trade and the system of present-giving as practiced by the British government is of interest from the economic standpoint. In the first place, the character of the articles distributed among the Indians and those used in the fur trade was identical, as a comparison between a return of Indian presents in store at one of the upper posts and an invoice of a canoe-load of traders' goods will readily show. The question then arises, why did not the merchants oppose the distribution of presents as a form of competition, the effect of which would be to reduce the demand for their own goods? That they did not regard the matter in that light is evidenced by the fact that traders themselves often acted as the medium through which these articles were distributed.<sup>2</sup> They were willing and anxious to sell goods to the Indian department, and on occasion, even solicited the government to make presents to the savages.<sup>3</sup> There are several reasons why this practice was not regarded in the light of competition. In the first

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<sup>1</sup>Haldimand to Germain, October 25, 1780. Michigan Pioneer and Historical Collections, X, 445.

<sup>2</sup>Letter of Sinclair [to Haldimand], July 31, 1781, Michigan Pioneer and Historical Collections, X, 504.

<sup>3</sup>In 1780, the merchants associated in the General Store at Michillimackinac petitioned that they might be given preference in supplying goods for the Indian department. Memorial of the Merchants of Michillimackinac, April 27, 1780. Michigan Pioneer and Historical Collections, IX, 549; Memorial of the Merchants of Montreal, April 4, 1786, ibid., XI, 483. See also the memoranda, dated April 13, 1786, ibid. 485.





place, the Indians were notoriously improvident, being seldom if ever satisfied and their wants, if not their necessities, may be said to have been practically insatiable. Hence the fact that they received large presents from the government did not necessarily decrease their demand for traders' goods, while rum was a salable commodity at any time, no matter what the amount. But even disregarding these considerations, the political influence secured over the Indians by the giving of presents greatly outweighed any possible disadvantage arising from the practice, considered as a form of competition. The political attachment of the Indians was absolutely essential to the welfare of the fur trade and the merchants were fully aware of the efficacy of the custom as a means of retaining their friendship.

Another consideration of great importance was the fact that so long as there was no foreign competition to be feared, British traders obtained all the furs gathered by the Indians regardless of the quantity of goods carried into the interior, small or large. It was not a matter of so great importance to the trader how many goods were given to the Indians in the form of presents, just so long as there was no increase in the number of those who were to receive the returns in furs. The only occasion on which the trader raised his voice in protest was when the agent who distributed the presents sometimes yielded to the temptation to use them in trade on his own behalf. This was a form of competition which never failed to arouse the merchants, not necessarily because it increased the quantity of goods carried to the Indians but because it increased the number of those



who received the returns in furs.<sup>1</sup> Indeed, the amount of merchandise delivered to the Indians in the course of trade or in the form of presents appears to have had little effect upon the quantity of furs secured by the merchants from one year to another; a fact which may be illustrated by a comparison of the quantity of goods annually sent into the Indian country with the returns of furs exported from the province of Quebec.<sup>2</sup> Although the value of the goods imported for purposes of trade fluctuated very considerably, the quantities of furs shipped to England do not show any corresponding variations; the annual returns in peltry seem to remain about the same or even to show a slight increase from year to year.

When it is recognized that the Indian derived his supplies, of identical quality, from two sources, the government and the trader, and that the latter received the entire product of his industry in the form of skins and peltry, it will perhaps be doing no violence to the truth to say that the fur trade was a subsidized industry, and that in estimating the worth of this particular commerce to Great Britain, more factors must be taken

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<sup>1</sup>Representation of Merchants and Traders at Michillimackinac, August 10, 1787, Michigan Pioneer and Historical Collections, XI, 497; Henry to Edgar, October 22, 1787, Letters and Accounts of the North-West Co., 81. On the other hand, if the agents traded goods at lower prices than the merchants were accustomed to demand, the result was a most injurious form of competition. The point to be emphasized is that the giving of goods to the Indians in the form of presents did not in itself damage the business of the traders.

<sup>2</sup>Returns of Indian Trade Licenses; returns of furs exported from the province of Quebec, Canadian Archives Report, 1888. Calendar of Haldimand Collection, vol. III, p. 12.





into account than the value of the goods exchanged by the merchants for the furs which they shipped to England. It is an undoubted fact that the friendship and trade of the tribes of the Northwest could hardly have been retained for the commercial welfare of British merchants without the substantial aid and assistance given by the Crown in the form of presents. There may perhaps be some truth in the statement that the advantage in the fur trade gained by the retention of the posts was not worth the amount which it cost. At any rate, the complaints of British officials, from the ministry down, with regard to the expenses of the Indian department were loud and frequent.



## CHAPTER VII

Diplomacy and the Fur Trade.

After Haldimand had refused General Knox's demand for the evacuation of the posts in 1784,<sup>1</sup> no further efforts were made by the United States to secure the withdrawal of the British garrisons, save through diplomatic channels. But in proportion as the commerce of Canadian merchants and traders flourished in the Great Lakes' region, the more loath were the British to evacuate the western posts; and as their desire to retain them increased, the more were they disposed to believe that the Americans cherished designs of seizing them by force. One of the ministry in a memorandum drawn up in 1785 expressed a belief that the Americans would soon attempt to take possession of the posts for the sake of gaining control of the fur trade and that the only thing which had thus far deterred them was their fear of the Indians.<sup>2</sup> Major Ross, discussing matters connected with the welfare of the Upper Country in the same year, declared that in New York, Connecticut, and Pennsylvania, there was a general clamor for the frontier forts.<sup>3</sup> All such manifestations were

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<sup>1</sup>Ante., 115.

<sup>2</sup>Memorandum concerning Quebec Matters, 1785, Canadian Archives Transcripts, C. O. 42, vol. 18, p. 138. In the margin appears the note "Points to be decided upon previous to the departure of Sir Guy Carleton."

<sup>3</sup>Paper endorsed "Canada Affairs From Major Ross. R 2 May 1785." Canadian Archives Transcripts, C. O. 42, vol. 17, p. 38.





regarded with apprehension because of certain advantages supposed to be possessed by the Albany and Mohawk River communication with the Upper Country over that by way of Montreal and the St. Lawrence. The preservation of the fur trade appears to have been always uppermost in the minds of those who imagined that the Americans were planning to seize the posts.<sup>1</sup>

The occupation of the American frontier by British garrisons very naturally aroused a great deal of irritation in the United States, a feeling which was accentuated by the loss of the fur trade occasioned thereby.<sup>2</sup> The whole situation was, however, greatly aggravated by the state of Indian affairs in the Northwest, the interests of Great Britain and the United States being mutually antagonistic. The British were interested in the Great Lakes' region almost solely from the standpoint of the fur trade, the welfare of which depended upon the friendship of the Indian tribes. As a very extensive trade was carried on in American territory in the region south of Detroit, it was to the advantage of British merchants that the Indians should remain in undisturbed possession of their hunting grounds,

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<sup>1</sup>"Opinions and observations of different persons respecting the United States," in Dorchester's letter of October 14, 1788, Canadian Archives, series Q, vol. 38, p. 146. According to this memorandum, the Federalists in the New York convention at Poughkeepsie urged that the establishment of a strong central government would enable the United States to obtain possession of the posts, upon which a large part of the fur trade would pass down the Mohawk River to Albany.

<sup>2</sup>Jefferson to Hammond, December 15, 1791, American State Papers, Foreign Relations, I, 190. Jefferson pointed out that the fur trade was of importance to the United States, not only because of its intrinsic value, but also as a means of controlling the Indians.



for if they were driven out by the Americans, their commerce would depart along with them. If, on the other hand, they should for any reason be aroused to hostilities against the British, the safety of the province of Quebec would be endangered and the whole fur trade ruined. The British desired above all else to maintain the status<sup>in</sup><sub>quo</sub> in the Northwest, an object which they believed more apt to be fulfilled if the posts were garrisoned by their own troops. In addition to commercial considerations, they felt themselves under certain moral obligations to the Indians, all whose interests lay in the same direction as their own. The savages had fought for them during the Revolution, thereby incurring the enmity of the Americans, and it appeared to the British as though it would be little short of an act of treachery for them to sit calmly by and see their former friends and allies exterminated.<sup>1</sup>

The interests of the Americans were directly antagonistic to those of the British. While they wished to share in the fur trade from which they had been excluded by the war, they were primarily interested in the region from the settler's viewpoint and after the close of the Revolution, the westward movement which had commenced years before began again with renewed vigor. The result was that the intruders came into conflict with the Indians northwest of the Ohio and there followed an era of war and bloodshed which lasted for more than a decade.

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<sup>1</sup>The arguments of those who opposed the provisional articles in parliament in 1783, as well as the correspondence of British officers, bear witness to this statement.





What the Americans desired was to establish a modus vivendi with the Indians, by which certain lands should be opened for settlement, while others were reserved for hunting grounds. To this end a series of councils was held with the various tribes living beyond the Ohio and several treaties were concluded, of which the most important were those of Fort Stanwix, Fort McIntosh, and Fort Harmar. It was the purpose of these negotiations to come to some agreement with the Indians concerning the division of lands between themselves and the white settlers, but all efforts to come to an arrangement which should be satisfactory to all parties were fruitless, with the result that the violence and disorder increased in the country northwest of the Ohio.<sup>1</sup>

Difficulties between the Americans and the Indians grew more and more serious in 1786 and 1787; and rumors of approaching hostilities began coming to the ears of British officers, who feared that the United States, under the pretext of subduing the tribes with which they were at war, was contemplating the establishment of posts in the Indian country and on the lakes which would serve to cut off a large share of the British fur trade and divert it through American channels.<sup>2</sup> Lord Dorchester, who in 1786 took up his residence in Quebec as governor of the province,<sup>3</sup> reported to Lord Sydney, in 1787 that he

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<sup>1</sup>Winsor, The Westward Movement, passim.

<sup>2</sup>Mathews to Haldimand, August 3, 1787, Michigan Pioneer and Historical Collections, XX., 286; Dorchester to Sydney, August 18, 1787, Canadian Archives, series Q, vol. 28, p. 134.

<sup>3</sup>Sir Guy Carleton was created Baron Dorchester in 1786.



believed it was the intention of the Americans to leave the British in possession of the posts for the time being, but meanwhile to station themselves along the communications to the Northwest in such a manner as to intercept the fur trade and enable them to occupy the whole region when they judged the time to be ripe.<sup>1</sup>

As the outlook grew more serious, the Indians naturally turned to their former allies for council and assistance. The British were placed in an exceedingly embarrassing position, for while their commercial interests and sympathies were all on the side of the Indians, yet on the other hand, prudence dictated a policy of neutrality and the avoidance of any measures which might give the savages just ground for complaint. In 1786, Joseph Brant was in London, seeking to learn what attitude the British government would assume in case of hostilities between his people and the Americans. Sydney's reply was non-committal, though he assured Brant that the King had the welfare of the Indians at heart.<sup>2</sup> His instructions to Lieutenant Governor Hope of the province of Quebec were equally vague.<sup>3</sup> In case of hostilities, no open support must be given the savages but inasmuch as the peace and prosperity of the province demanded that they should not be entirely abandoned and estranged, he concluded by leaving the line of conduct to be followed in

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<sup>1</sup>Dorchester to Sydney, June 13, 1787, Canadian Archives, series Q, vol. 28, p. 16.

<sup>2</sup>Sydney to Brant, April 6, 1786, Canadian Archives, series Q, vol. 26-1, p. 80.

<sup>3</sup>Sydney to Hope, April 6, 1786, Canadian Archives, series Q, vol. 26-1, p. 73.





case of emergency to Hope's own discretion.

There is no doubt that the British sincerely desired peace between the Americans and the Indians and every effort was made to avoid inciting the latter to hostilities. But as the situation became more strained, the British began to regard the danger which threatened the savages as likewise constituting a menace to the posts and the fur trade. The friendship of the tribes northwest of the Ohio must for political and commercial reasons be preserved at all hazards, as their assistance might be required to defend the posts in case of attack, and hence Sydney came to the conclusion that it would be very improper to refuse them ammunition with which to defend themselves.<sup>1</sup>

Attention has already been called to the fact that the ministry had from the very outset regarded the negotiation of a commercial treaty which should define the status of the northwest trade, as prerequisite to any consideration of the evacuation of the posts.<sup>2</sup> But so long as British traders continued to enjoy the benefits of the commerce of the Great Lakes' region, it was only natural that the ministry should not display any eagerness to negotiate such a treaty. The United States, on the other hand, had every reason to desire that the whole matter of commercial relations and the posts should be settled as speedily as possible. Washington in 1789 accordingly instructed Gouverneur Morris to sound the ministry with regard

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<sup>1</sup>Sydney to Dorchester, April 5, 1787, Canadian Archives series G, vol. 1, p. 62; same to same, September 14, 1787, series Q, vol. 28, p. 28; Fraser to Nepean, October 31, 1789, ibid., 43-2, p. 786.

<sup>2</sup>Ante, 105.



to the possibility of negotiating a commercial treaty, by which all the questions at issue between the United States and Great Britain might be settled.<sup>1</sup> Morris did as he was instructed and indicated that since there remained no obstacle to the recovery of British debts in the United States, which was the reason given by the ministry for delaying the evacuation of the posts, there was no longer any ground for refusing to fulfill the terms of the Treaty of 1783 by withdrawing the British garrisons. Pitt, however, on being pressed by Morris, admitted that it was perhaps the idea of the ministry to negotiate a new treaty rather than to fulfill the old one, and that there was a possibility that Great Britain might desire to retain the posts. Morris argued that the posts could not be of sufficient value to her to warrant the expense of maintaining them, to which Pitt replied that if they were of so little value, there was less reason why the Americans should desire to obtain possession of them.<sup>2</sup>

The ministry was, however, at this time strongly considering the possibility of giving up the posts and was making every effort to learn what would be the probable effect of such action upon the fur trade. In his letter to Washington on May 29, Morris said that on that very day Grenville had called in certain persons familiar with the fur trade and that there was good reason to believe that the British garrisons

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<sup>1</sup>Winsor, The Westward Movement, 316.

<sup>2</sup>Morris to Washington, May 29, 1790, American State Papers, Foreign Relations, I, 123.





would be withdrawn. Two days later, Grenville asked Haldimand his opinion with regard to the effect which the surrender of the posts might have upon the Indian trade. Haldimand, strange to say, favored the withdrawal of the garrisons, saying that the Americans were so numerous that they could obtain the posts by force if they were so disposed, and therefore the British government should give them up voluntarily. Even though a part of the fur trade were surrendered, British merchants would more than make good the loss by the goods which they would sell to the Americans. Grenville likewise asked the advice of Major Mathews, who replied that his principal objection to the surrender of the posts was that it would be apt to estrange the Indians.<sup>1</sup> A report was likewise received from Captain Schank, another British officer familiar with the situation in the Northwest, on the subject of the posts along the water communication between the United States and Canada, their value to the trade, and the possibility of erecting forts to take their place on the British side of the line.<sup>2</sup>

John Inglis, one of the prominent London merchants engaged in the Canada trade, likewise made a report at the request of Grenville concerning the commerce of the Great Lakes' region.<sup>3</sup> He estimated that if the posts were surrendered, at

<sup>1</sup>Haldimand's Diary, May 31, 1790, Canadian Archives Report, 1889, p. 287; Memorandum from Lord Grenville, Michigan Pioneer and Historical Collections, XXIV, 91.

<sup>2</sup>"Account of Posts in Canada Including a Short Description of Detroit, Michilimakinac, Miamis River, and Sandusky." Received, May 31, 1790, Michigan Pioneer and Historical Collections, XXIV, 89.

<sup>3</sup>Inglis to Grenville, May 31, 1790, Canadian Archives, series Q, vol.49, p.287. The report itself appears in Michigan Pioneer and Historical Collections, XXIV, 686. See also



least half the fur trade would be lost to Great Britain, and expressed the belief that the Americans were in no condition to garrison the forts and afford adequate protection to commerce. He at the same time offered to wait upon Grenville, along with Isaac Todd, who was then in London. The latter would be able, from his long and intimate acquaintance with the fur trade, to give such information as might be desired. The attitude of John Inglis clearly illustrates Great Britain's real motives in retaining the posts, for on June 5, he called attention to a statute which was still in force in Georgia, the effect of which was to withhold justice from British subjects. It is clear that he regarded this act as a pretext upon which the posts might be held, though his real interests were concerned with the fur trade.<sup>1</sup>

By the autumn of 1790, nothing had yet been accomplished, and Morris took occasion to inform the Duke of Leeds that in his opinion, the retention of the posts would prevent the negotiation of the treaty; as it was quite generally believed that England was retaining them simply for the sake of the fur trade, which was regarded as a very serious injury to the United States. There was, moreover, a widespread suspicion that the

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"Memorandum from Lord Grenville," ibid., 90. It is clear from the memorandum that Grenville was at this time most carefully considering the possible evacuation of the posts in connection with its effect upon the fur trade. The surrender of Michillimackinac and Oswego was a sore point with the ministry, because of the strategic position of these posts with reference to the trade.

<sup>1</sup>Letter of John Inglis, June 5, 1790, Michigan Pioneer and Historical Collections, XXIV, 92. It is interesting to note that later, certain of the British merchants themselves regarded the reason advanced by the ministry as a pretext. The courts of





British were exerting a bad influence over the Indians of the Northwest, which added to the American feeling of distrust concerning their motives in general.<sup>1</sup>

General Harmar's invasion of the Miami country in October of 1790 caused great excitement among those interested in the trade of the Great Lakes' region and was the first of a series of events which had a very marked influence upon the negotiations affecting the posts and the northwest fur trade. Though the military features of the campaign were not of particularly great importance, yet it was apparent that an era of war and general disorder had begun which must necessarily have a very important effect upon the commerce of the region.<sup>2</sup> The merchants of Montreal pictured the bad state of affairs to their London correspondents and requested that they meet together and draw up a statement concerning the general situation, to be laid before the King.<sup>3</sup> They were of the opinion that nothing could

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Virginia had refused to grant relief to the foreign creditors until the posts were evacuated and compensation rendered for the negroes alleged to have been carried off. The merchants accordingly applied to the British government for their remuneration, arguing that their property had been sacrificed for the sake of the fur trade, which was protected by the western posts. If the retention of this trade was a national advantage, the nation should compensate them for their losses. Letter of Henry Glassford, July 29, 1794, P. R. O., F. O., class 5, vol. 7.

<sup>1</sup> Morris to Washington, September 18, 1790, American State Papers, Foreign Relations, I, 126.

<sup>2</sup> It was in this campaign that the Indian village on the Miami was burned, along with the traders' huts and a large quantity of corn. Winsor, The Westward Movement, 419.

<sup>3</sup> Extracts from letters from Montreal, dated December 11, 1790. Michigan Pioneer and Historical Collections, XXIV, 159. It was pointed out that Messrs. Todd, Richardson, Robertson, and McTavish, Canadian merchants who were in London at the time,



save the Indians, together with their trade, unless the British government should either assist them in the event of another American invasion or mediate between them and their enemies. The merchants likewise lost no time in drawing up a memorial to Lord Dorchester, in which they called attention to what they regarded as the aggressions of the Americans and pointed out how they were threatening the fur trade of the Upper Country.<sup>1</sup> They urged the adoption of two measures to ensure the safety of their commerce: first, they requested that their trade should be uninterrupted for a period of five years in order to give them time to secure their property; and in the second place, they suggested that if at the end of that time it should be thought advisable to cede the posts, the Indian country might be regarded as neutral territory and remain free to British as well as American traders. This memorial was signed by the principal merchants of Montreal, including those interested in the trade to the far Northwest as well as those operating in the region dependent upon Detroit. On February 1, John Brickwood, a member of a London firm, transmitted to Grenville some correspondence from Canada bearing upon the subject of the disturbance in the Indian country and its effect upon the trade; while it appears that upon the following day a committee of merchants, accompanied by certain of their Canadian correspondents, waited upon Grenville and discussed the matter with him.<sup>2</sup>  
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 would be able to advise them concerning the fur trade.

<sup>1</sup>Memorial of the Merchants of Montreal, December 28, 1790, Michigan Pioneer and Historical Collections, XXIV., 162.

<sup>2</sup>Brickwood to Grenville, February 1, 1791, Michigan





The British ministry was placed in a most difficult position as a result of the outbreak of war between the Indians and the Americans. Grenville wrote to Dorchester on March 7, 1791, asking him for full information with regard to the situation and expressing the hope that it might be possible for Great Britain to mediate between the Americans and the tribes with which they were at war, and thus afford an opening for the settlement of the question of the frontier posts.<sup>1</sup> As time went on, there appeared to be no prospect of an early peace. The Americans spent the summer and autumn of 1791 preparing for another attempt to break the power of the Indians and the forebodings of the merchants increased. On August 10, Forsyth, Richardson, and Company and Todd, McGill, and Company, addressed a memorial to Sir John Johnson, in which they described the ruinous state of the Detroit trade and urged that measures be taken to persuade the savages to listen to reasonable terms of peace.<sup>2</sup> Those who were engaged in the fur trade were unanimous in desiring a settlement of the difficulties between the Americans and the Indians but their interests likewise demanded a peace which should leave the latter in the possession of their hunting grounds. To this end, they hoped that Lord Dorchester might be able to mediate between the contending parties and effect the establish-

Pioneer and Historical Collections, XXIV, 171. The correspondence referred to was doubtless that which has been mentioned, dated Montreal, December 11, 1790.

<sup>1</sup>Grenville to Dorchester, March 7, 1791. Canadian Archives, series Q, vol 50, p. 16.

<sup>2</sup>Forsyth, Richardson & Company and Todd, and McGill, & Company to Johnson, August 10, 1791, Michigan Pioneer and Historical Collections, XXIV, 305.



ment of an Indian boundary, which should ensure the future prosperity of their trade.

The ministry was no less anxious for peace than were the merchants themselves. In the autumn of 1791, Hammond was sent to the United States as minister from Great Britain, and one of the objects of his mission was to assist in bringing about some form of settlement between the Americans and the northwest tribes. The attitude of the ministry is clearly set forth in a letter of Dundas to Dorchester, dated September 16, 1791.<sup>1</sup> The latter was instructed to coöperate with Hammond by using his influence with the Indians to listen to any reasonable terms which should ensure to them the peaceable possession of their hunting grounds. It was moreover desirable that the extent of the lands which they were to be allowed to occupy should be clearly defined. The way in which the ministry regarded the whole matter is revealed in the following passage from the despatch of Dundas already referred to: "Your Lordship's experience and knowledge of the British interests in America supersede the necessity of my enlarging upon these topicks, but I cannot help adverting to the consideration of our trade with the northern and northwestern parts of the Continent of America. If the Indians are either extirpated from their countries, or rendered insecure in the possession of them, our trade in that quarter, and which Your Lordship and the merchants of Montreal state to be so valuable, must be much injured, and the enjoyment of it rendered altogether precarious."

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<sup>1</sup>Dundas to Dorchester, September 16, 1791. Canadian Archives Report, 1890, p. 173.





"The subject of the **Posts** in dispute between this Country and America is unfortunately connected with what I have just adverted to."

The victory of the Indians over the army of General St. Clair on November 4, 1791, very materially altered the diplomatic aspect of affairs. They were greatly emboldened by their success and encouraged in their demand that they be allowed to occupy all the land north of the Ohio River and west of the Muskingum.<sup>1</sup> Those who were interested in the fur trade believed that the time had arrived when terms of peace might be arranged between the United States and the Indians, which would be favorable to the latter.<sup>2</sup> The merchants of Montreal accordingly lost no time in endeavoring to turn the situation to their advantage. On December 9, they addressed a memorial to Lieutenant Governor Simcoe,<sup>3</sup> in which they urged that the boundary established by the Treaty of 1783 be altered so as to conform to the southern boundaries of Canada as defined by the Quebec Act and also that the British garrisons might be retained at Niagara and Oswego,  
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<sup>1</sup>Bassett, Federalist System, 64.

<sup>2</sup>An unsigned letter from Niagara, dated November 24, 1791 (P. R. O., F. O., class 4, vol. 11) reveals the attitude of those interested in the commerce of the Great Lakes' region. The writer tells the story of St. Clair's defeat and adds that he has just written to Mr. Askin, requesting him to join the traders in urging the Indians to be moderate. He hopes that through the mediation of the British government, and the influence of the traders, peace may be brought about and that an opportunity may arise to alter the terms of the Treaty of 1783.

<sup>3</sup>By the constitutional act of 1791, Quebec was divided into the provinces of Upper and Lower Canada. Shortt and Doughty, Constitutional Documents, 695. John Graves Simcoe became Lieutenant Governor of Upper Canada.



in order to ensure control of the trade of the Upper Country. In case so radical a change in the boundary could not be obtained, certain alternative lines were proposed. Simcoe sent this memorial to Hammond, in the hope that it might be of some service in the negotiations which were in progress at Philadelphia.<sup>1</sup>

The rout of St. Clair's force did not tend to facilitate the negotiation between Jefferson and Hammond, which had already been in progress for some little time, inasmuch as the incident served to convince the Americans more firmly than ever that the Indians were receiving encouragement and assistance from the British.<sup>2</sup> Jefferson made the charge again and again but to all his accusations Hammond made the most vigorous and sweeping denial. The very fact that the British were through diplomatic channels endeavoring to attain the same ends which the Indians were seeking by force of arms, made it inevitable that such a situation should arise. The British government vigorously denied ever having incited the Indians to hostilities against the Americans and all correspondence goes to prove that its official attitude was one of neutrality.<sup>3</sup> The British did, it is true, furnish the savages with guns and ammunition, but they gave the plausible explanation that they were simply continuing a practice which had been followed in time of peace.<sup>4</sup>

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<sup>1</sup>Memorial of the Merchants of Montreal, December 9, 1791, Michigan Pioneer and Historical Collections, XXIV, 338; McGill to Askin, January 24, 1792, Burton Manuscript Collection, vol. 2, p. 43.

<sup>2</sup>Winsor, The Westward Movement, 431.

<sup>3</sup>Grenville to Hammond, September 1, 1791, P. R. O., F.O., class 4, vol. 11; Hammond to Jefferson, December 14, 1791, State  
See next page for note 4.





But there was nevertheless a strong feeling of sympathy and a community of interests between the British and the Indians, which was the source of a great deal of moral support to the latter, and which served to convince the Americans that the former were rendering much greater and more direct assistance than was actually the case. Grenville correctly stated the attitude of the ministry when he said that England had strong political and commercial interests in the resotration of peace in the Indian country.<sup>1</sup>

The extent to which the traders were responsible for the situation northwest of the Ohio is another matter. American officers repeatedly charged them with inciting the Indians and strong representations were made to the British authorities on the subject.<sup>2</sup> The more influential merchants, living at Montreal and Detroit, were strongly desirous of peace, and their attitude was identical with, and indeed partly responsible for, the position of the ministry.<sup>3</sup> There were on the other

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Department, British Legation Notes; same to same, January 30, 1792, *ibid.*; McLaughlin, "The Western Posts and the British Debts," American Historical Association Report, 1894, p. 439. Dorchester's speech to the Indians in 1794, may, however, be regarded as a breach of neutrality on his part, while Simcoe's action in building a fort on the Miami was clearly unjustified. See post., 238.

<sup>4</sup>Hamilton to Sydney, August 29, 1785, Canadian Archives, series Q, vol. 25, p. 151; Chew to McKee, May 1, 1792, Claus Papers, V, 9.

<sup>1</sup>Grenville to Hammond, September 1, 1791, P. R. O., F. O., class 4, vol. 11.

<sup>2</sup>Harmar to Secretary of War, July 7, 1787, Smith, St. Clair Papers, II, 26; St. Clair to Murray, September 19, 1790, ibid., 187; St. Clair to the Secretary of War, November 26, 1790, ibid., 194; War Department to St. Clair, May 19, 1791, American

See next page for note 3.



hand irresponsible traders in the region south of Detroit who were the source of much mischief among the savages. Even Simcoe admitted the fact, for in a letter to Portland, after pointing out that no official encouragement had been given the Indians, he ended by saying, "At the same time Your Grace must be convinced that the different Traders from interest would make use of that language which would best conciliate the favour of the Indians; and that the British Officers, not immediately intrusted ~~trusted~~ with particular duties in respect to those people, could not be at all times prevented from expressing in strong terms, that Compassion which in this Province is universally felt for these unhappy nations."<sup>1</sup> The traders were many of them a sordid lot and almost invariably acted in accordance with self-interest, without particular reference to considerations of hostility toward the United States or of loyalty to Great Britain. It is not surprising that they incited the Indians against the Americans when they believed it to be in their interests to do so, inasmuch as in 1795, they even supplied Wayne's army with goods, greatly to the chagrin of British officers, and in defiance of a proclamation by Simcoe forbidding

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State Papers, Indian Affairs, I, 176.

<sup>3</sup>Conversation Upon the State of Affairs in the Western Country, January 31, 1791, Michigan Pioneer and Historical Collections, XXIV, 167; unsigned letter from Niagara, dated November 24, 1791, P. R. O., F. O., class 4, vol. 11.

<sup>1</sup>Simcoe to Portland, December 22, 1794, Michigan Pioneer and Historical Collections, XXV, 74.





them to do so.<sup>1</sup> The United States undoubtedly had just ground for complaint against these irresponsible and venal traders.

But returning again to a consideration of the progress of diplomatic negotiations concerning the status of the Northwest, on January 9, 1792, the British envoy wrote to Grenville of an interview which he had held with Alexander Hamilton, who was then secretary of the treasury. Hamilton was of the opinion that the United States would not be likely to yield any of the territory ceded by the Treaty of Peace but that it might be possible to grant to British subjects such commercial privileges as would enable them to continue to carry on the fur trade.<sup>2</sup>

The ministry nevertheless determined to press the diplomatic advantage which it believed it had gained by St. Clair's defeat and on March 17, Hammond was authorized to suggest to the American government the establishment of an independent Indian country, from which both Great Britain and the United States should withdraw all claim.<sup>3</sup> Lord Dorchester, who was then in London, was asked to submit his views with regard to the proper boundaries for such an Indian barrier, in the formulation of which he was to bear in mind three things; first, the welfare of the Indian trade; second, the interposition of a barrier along the whole extent of the American frontier; and third, the drawing of such a boundary as might serve to protect those parts of

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<sup>1</sup>Simcoe to Portland, March 17, 1795, Simcoe Papers, IV, 104.

<sup>2</sup>Hammond to Grenville, January 9, 1792, P. R. O., F. O., class 4, vol. 14.

<sup>3</sup>Grenville to Hammond, March 17, 1792, ibid.



Canada most open to attack from the Americans.<sup>1</sup> In his reply, Dorchester recommended that the southern boundary of the proposed barrier territory should follow the line proposed by Brant in the summer of 1791, which would reserve to the Indians the territory north of the Ohio and east of the Muskingum and extending to the Great Lakes and <sup>the</sup> Mississippi. He believed that the establishment of such a buffer state would ensure peace between the Indians and the Americans, remove every cause of dispute between the United States and Great Britain, and establish the fur trade of the two countries on a fair and equal footing.<sup>2</sup>

The Canadian merchants were not idle, as may readily be supposed. William Robertson, of Detroit, and Isaac Todd, of the firm of Todd, McGill, and Company, were in London at the time and conferred with Dundas' secretary with regard to the proposed Indian barrier, though they were apparently able to secure but little information concerning the intentions of the ministry.<sup>3</sup> On April 23, McTavish, Frobisher and Company; Forsyth, Richardson and Company; and Todd, McGill and Company, addressed a second memorial to Lieutenant Governor Simcoe, which they desired that he should transmit to Hammond at Philadelphia, as well as to the British ministry. They strongly recommended

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<sup>1</sup>Dundas to Dorchester, March 15, 1792, Canadian Archives, series Q, vol. 58-1, p. 59.

<sup>2</sup>Dorchester to Dundas, March 23, 1792, Michigan Pioneer and Historical Collections, XXIV, 386.

<sup>3</sup>Robertson to Askin, March 26, 1792, Burton Manuscript Collection, vol. 2, p. 46.





the alteration of the boundary established by the Treaty of 1783, but in case that proved to be impossible, they proposed other measures which they proceeded to outline. They suggested in the first place that if Great Britain were to make an offer of reciprocal trading privileges, the Americans might perhaps be more willing to consent to a change in the boundary of 1783. If they refused any such change, however, it would still be a great advantage if freedom of trade were granted to both countries, as the Canadian merchants possessed capital, experience, and <sup>the</sup> friendship of the Indians, all of which would give them a tremendous advantage over possible American competitors. It was desirable that a free communication with the Mississippi be assured the Canadian merchants, in order to enable them to carry on their trade in Spanish territory west of the Mississippi, and it was absolutely necessary that ~~the~~ Grand Portage should either be surrendered to the British, or declared an open highway, free to the traders of both countries. The merchants further argued that they had a right to trade within American territory, even without any definite stipulation to that effect, for, as they contended, the Treaty of Utrecht granted free commercial intercourse with the Indians to both the English and the French and inasmuch as the British government occupied the position formerly represented by the French, they had a right to all the privileges to which the latter had been entitled.<sup>1</sup>

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<sup>1</sup>Memorial of Merchants of Montreal, April 23, 1792, Michigan Pioneer and Historical Collections, XXIV, 402.



Simcoe transmitted a copy of the memorial to Hammond, and likewise to the ministry, taking occasion in his letter to Dundas, to give a lengthy exposition of his own views on the subject of the fur trade in Upper Canada. He amplified the arguments of the merchants of Montreal based upon the Treaty of Utrecht, urging in the strongest terms that even though Great Britain should give up the frontier posts, British merchants would still have a perfect right to deal with the Indian tribes within American territory, on the ground that by the terms of that convention they were free nations, with the privilege of trading with whom they chose.<sup>1</sup> Simcoe, it should be said, was exceedingly jealous of the fur trade as well as distrustful of the Americans and was determined to do all in his power to protect the merchants of Canada in the enjoyment of the commercial monopoly which they had acquired during the preceding years.

Early in June, 1792, a few days after he had received Grenville's instructions on the subject of the proposed barrier territory, Hammond held a conversation with Hamilton, in which he casually mentioned that the time might perhaps be favorable for a settlement of the outstanding questions involving the United States, Great Britain, and the Indians. He outlined the plan suggested by Grenville, presenting it, however, as an idea of his own. Hamilton replied, "briefly and coldly," that the United States would consider no proposal which involved a cession of territory or the interference of any other power

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<sup>1</sup>Simcoe to Dundas, April 28, 1792, Canadian Archives, series Q, vol. 278, p. 110.





in the dispute with the Indians. From further correspondence with Hammond during the weeks that followed, it is clear that he regarded this statement of the position of the United States government as final.<sup>1</sup>

In a letter to Grenville dated July 3, 1792, the British minister once more declared it to be his opinion that the United States government was opposed to the establishment of an Indian barrier, but he also took occasion to outline the conditions to which he believed the Americans might be willing to agree.<sup>2</sup> From his conversations at Philadelphia, he was inclined to think that the United States would be ready to consent to such conditions with regard to the evacuation of the posts as great Britain might consider essential to her own commercial and political interests in the Great Lakes' region, and that it might be possible to enter into some agreement with regard to the armaments which should be maintained by the two countries along the boundary. But so anxious were the Americans for the withdrawal of the British garrisons, that he believed they might be persuaded to agree to conditions which would guarantee to British subjects certain valuable privileges relating to the fur trade, including free use of the rivers and carrying places along the frontier, as well as such a settlement of the northwest boundary as should give British traders free communication with the Mississippi, by means of

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<sup>1</sup>Hammond to Grenville, June 8, 1792, P. R. O., F. O., class 4, vol. 15; same to same, June 13, 1792, ibid.

<sup>2</sup>Hammond to Grenville, July 3, 1792, P. R. O., F. O., class 4, vol. 16.



one of the rivers flowing into Lake Superior.

After Hamilton's unequivocal declaration of the summer of 1792, there remained little hope that the ministry would succeed in realizing its dream of peace between the United States and the northwest tribes on the basis of an Indian barrier unless the Americans should suffer defeat in the impending struggle, or the Indians themselves should request mediation.<sup>1</sup> Ever since St. Clair's defeat in November of 1791, the United States had been preparing for an expedition which should break the power of the Indians. General Wayne was placed in command of the American force and recruiting and drilling proceeded during the greater part of 1792 and 1793.<sup>2</sup> But at the same time, efforts were being made to reach an amicable settlement with the tribes beyond the Ohio. These efforts culminated in a council held at Sandusky in the summer of 1793, which was attended by three commissioners whom Washington had appointed on behalf of the United States. The Indians demanded the Ohio as a boundary between themselves and the white settlers, and the council broke up without any agreement having been reached. On August 16, the commissioners left Detroit, at once informing Wayne of the failure of the negotiations and it was clear that war was inevitable.<sup>3</sup> The progress of the dispute

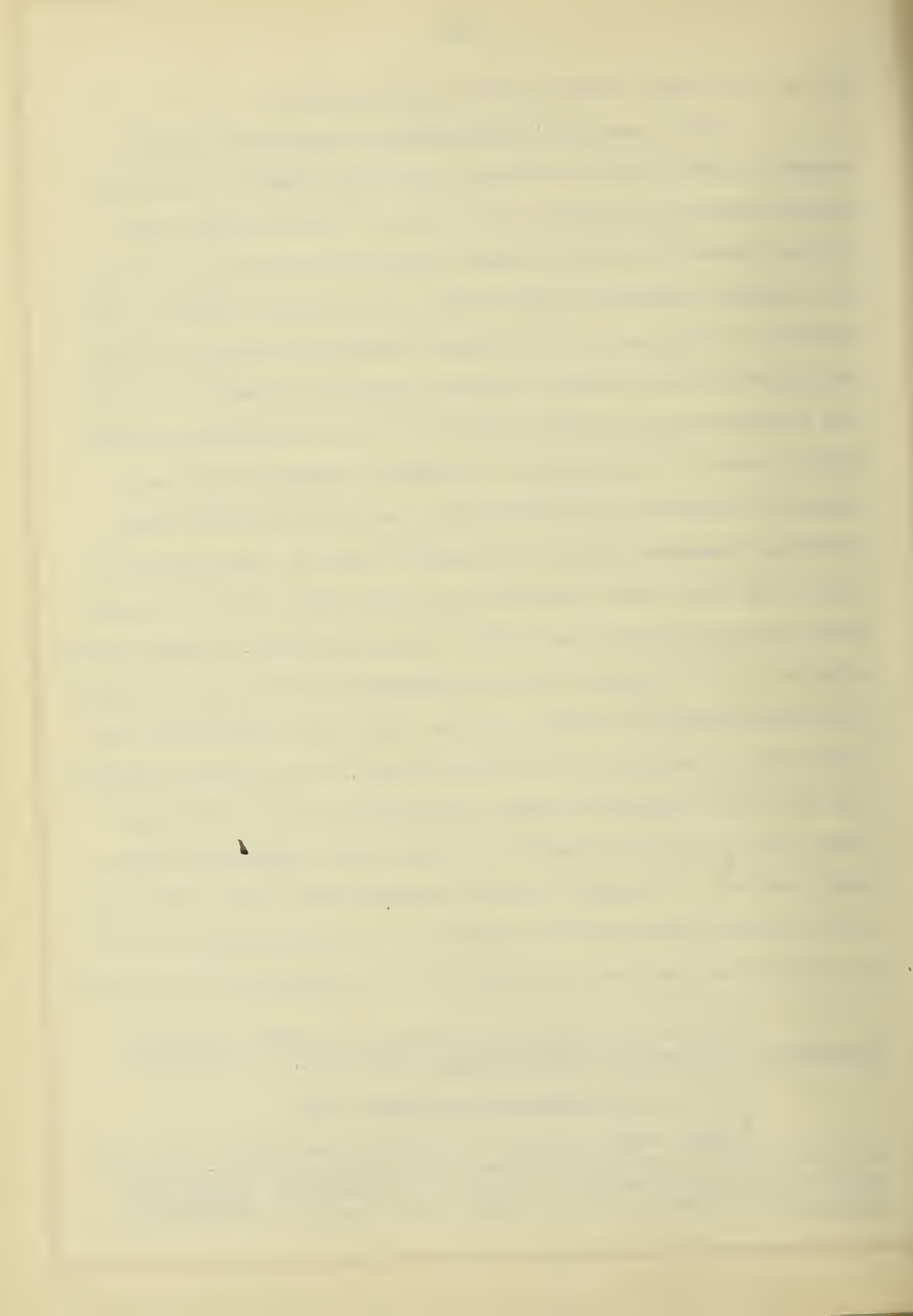
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<sup>1</sup> Simcoe to Hammond, September 27, 1792, Michigan Pioneer and Historical Collections, XXIV, 478.

<sup>2</sup> Winsor, The Westward Movement, 451.

<sup>3</sup> Ibid., 446 - 451. It has been maintained that the efforts of the commissioners were frustrated by the influence of Simcoe and the British traders. See Bassett, Federalist System, 65. Whether or not Simcoe was directly responsible





appears to have been watched with considerable interest by those engaged in the fur trade as is evidenced by certain letters of John Richardson, in which he mentions the negotiations at the mouth of the Detroit River and expresses the belief that the Indians will not make peace unless the Ohio is given them as a boundary.<sup>1</sup>

Military preparations on the American side were carried actively forward during the winter. The British, however, professed to see in Wayne's movements a menace to Detroit, and on February 17, Dorchester ordered Simcoe to occupy a position on the Miami in order to cover that post. A week earlier he had spoken to a delegation of Indians visiting Quebec, and had hinted that Great Britain and the United States would probably soon be at war, in which event the Indians would have an opportunity to secure a satisfactory boundary. The building of a fort upon the Miami and Dorchester's ill-advised speech to the Indians came very near leading to hostilities between the United States and Great Britain. The ministry disavowed the Governor's speech, however, which eased the situation somewhat.<sup>2</sup> Dorchester and Simcoe ardently desired Wayne's defeat in the impending struggle, believing that such an outcome might result in the establishment of an Indian

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for the rejection of the demands of the United States, his whole attitude with reference to the boundary dispute is only too well known. Simcoe to McKee, June 22, 1793, *Claus Papers*, V, 165; June 23, 1793, *ibid.*, 171.

<sup>1</sup>Richardson to Porteous, August 15, September 1, 1793, *Canadian Archives*, M, 852.

<sup>2</sup>Winsor, The Westward Movement, 453-455.



barrier south of the Great Lakes, which would ensure the continuation of British political ascendancy over the Indians in that quarter and preserve the monopoly of the fur trade. The British sincerely desired peace between the Americans and the Indians, but they desired a peace which should be favorable to the latter, and one which should be negotiated under their own supervision. Their hopes were in vain, however, for on August 18, General Wayne met a band of thirteen hundred Indians and decisively defeated them at the Battle of Fallen Timbers.<sup>1</sup> The power of the tribes northwest of the Ohio was broken.

While Wayne was carrying his military campaign to a triumphant conclusion, John Jay was in London conducting negotiations which were finally to settle the questions left open by the Treaty of Peace and definitely determine the political and commercial status of the Northwest. The negotiations may be most easily understood in the light of those provisions of the treaty itself which have a bearing upon the fur trade.<sup>2</sup> Article two provided that the frontier posts should be evacuated on June 1, 1796 and that all settlers and traders living within the jurisdiction of the posts should continue to enjoy full rights in their property. Those residing within the boundaries of the United States might either retain their British citizenship or become subjects of the United States, being allowed a year in which to make their choice. At the

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<sup>1</sup>Bassett, Federalist System, 67.

<sup>2</sup>For the text of the treaty, see Malloy, Treaties and Conventions, I, 591-606.





end of that time, those who had not declared their intention of remaining British subjects were to be considered as citizens of the United States. The third article provided that both British and American subjects, as well as Indians living on either side of the boundary, should be free to carry on trade both in the United States and Canada and were to be allowed free navigation of the lakes and rivers on either side of the boundary.<sup>1</sup> The navigation of the Mississippi was to be free to both parties to the treaty, and its eastern banks were to be free to both British and American traders.<sup>2</sup> It was stipulated that all merchandise, the importation of which into Canada was not entirely prohibited, might be carried for commercial use into British territory by citizens of the United States, without paying any higher duties than were demanded of British subjects on the importation of similar goods from Europe. A similar concession was granted by the United States. No duties of entry might be levied on peltries carried by land or inland navigation into the territory of either Canada or the United States, while Indians passing and repassing across the boundary should not be compelled to pay any duties whatsoever on goods of their own. Moreover, the carrying places on either side the boundary were to be free to the traders of both countries. With regard to the northwest boundary, the fourth

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<sup>1</sup>The territory occupied by the Hudson's Bay Company was excluded from this arrangement.

<sup>2</sup>The British regarded the communication with the Mississippi as of great importance, because of the important trade carried on within Spanish territory.



article provided that a survey should be made and the line fixed by friendly negotiation if any further adjustment were found to be necessary.

The question of the northwest boundary had been a matter of some debate between Jay and Grenville. The anxiety of the British merchants for control of the route to the country beyond Lake Superior by way of Grand Portage has already been noted. It was also held that the right to navigate the Mississippi implied free access to the stream without the necessity of passing through foreign territory.<sup>1</sup> In spite of Jay's denial of this claim, Grenville proposed two possible alterations in the boundary west of Lake Superior, either of which would have involved the cession of territory by the United States and would have placed Grand Portage under the British flag, while at the same time giving free access to the Mississippi. Jay refused to listen to any proposal which involved the cession of territory by the country which he represented.<sup>2</sup>

The natural outcome of the negotiations with regard to the commercial status of the Northwest was just such a provision for reciprocal trading privileges as was finally embodied in the treaty. It was at one time proposed that commercial intercourse should be free from all duties or imposts on either side, but upon Jay's representations that certain dis-

<sup>1</sup>See note 2, page 240.

<sup>2</sup>Jay to Randolph, September 13, 1794, American State Papers, Foreign Relations, I, 490-492; Winsor, The Westward Movement, 471.





advantages would result from such an arrangement, it was agreed to subject this trade to "native duties," of the sort already mentioned in enumerating the provisions of the treaty.<sup>1</sup> Jay said with regard to this provision: "In this compromise, which I consider as being exactly right, that difficulty terminated; but for this compromise the whole article would have failed, and every expectation of an amicable settlement been frustrated. A continuance of trade with the Indians was a decided ultimatum; much time and paper, and many conferences were employed in producing this article; that part of it which respects the ports and places on the eastern side of the Mississippi, if considered in connection with the ---article in the treaty of peace, and with the article in this treaty which directs a survey of that river to be made, will, I think, appear unexceptionable."<sup>2</sup>

The treaty was signed on November 19, 1794, and there ensued a nation-wide debate in the United States which lasted for more than a year. The bitter strife which the publication of the treaty aroused is a familiar story and all that can be attempted here will be to consider briefly the discussion of those articles defining the status of the Indian trade. Before the terms of the treaty were made public, the administration expressed its disapproval of the time set for the surrender of the posts. It was feared that if evacuation were delayed until 1796, the British would employ themselves during the interval in securing an ascendancy over the Indians and in adopting

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<sup>1</sup>Jay to Randolph, November 19, 1794, American State Papers, Foreign Relations, I., 503.

<sup>2</sup>Ibid.



measures to counteract American competition in the fur trade. Washington desired that June, 1795, might be the time set for the evacuation, since he was satisfied that so long as the British held Detroit, there could be no peace with the Indians.<sup>1</sup> Jay, on the other hand, declared that no earlier date for the withdrawal of the garrisons could be set and he gave the reasons for the British demand that the surrender be delayed. It is interesting to note that these reasons as outlined by Jay were exactly the same as those which had been advanced by the London merchants in 1783. The goods of the traders were scattered throughout the Indian country and the merchants must be allowed to enjoy the protection of their own government until they should be able to settle their affairs. It was uncertain, moreover, what attitude the Indians might take and as the United States might not be able to protect the traders, due to the war beyond the Ohio, it was desirable that the evacuation of the posts should be delayed.<sup>2</sup>

Washington was not disposed to regard those articles providing for reciprocal trading privileges in the Indian country with a great deal of favor. He feared that since the British merchants already possessed the trade and friendship of the Indians, they would do all in their power to keep the Americans out of Canadian territory and disputes would arise which might result seriously. He also anticipated that the

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<sup>1</sup>Randolph to Jay, November 12, 1794, American State Papers, Foreign Relations, I, 501; December 3 and 15, 1794, ibid., 509.

<sup>2</sup>Jay to Randolph, November 19, 1794, ibid., 503.





desire of foreign merchants to monopolize the trade might also lead to serious disputes within American territory. Washington would have preferred that the merchants of both countries be confined to their respective sides of the line and that the Indians be allowed to go where they pleased.<sup>1</sup> Hamilton, on the other hand, considered the portion of the treaty dealing with the Indian trade as on the whole favorable to the United States. While the American fur trade was relatively unimportant, that on the British side of the line, to which the Americans were given access, was of great value. Some persons, he said, were of the opinion that there were advantages on the side of the merchants of the United States which would enable them to carry their competition into British territory with success.<sup>2</sup>

During the latter part of April the Jay Treaty was discussed from beginning to end in the House of Representatives, the debate arising over the question of carrying its provisions into effect. The article containing the stipulation for reciprocal trading privileges was attacked on the ground that it would enable the British to retain their evil influence over the Indians within the territory of the United States. It was contended that while formerly, the commercial interests of the British led them to desire peace, they would now have a motive for inciting the Indians to war in order to keep out American

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<sup>1</sup>Washington to Hamilton, July 13, 1795, Writings, Ford ed., XIII, 63-66.

<sup>2</sup>Hamilton to Washington, July 9, 1795, Works, Lodge ed., IV, 323-325.



traders.<sup>1</sup> The freedom of intercourse allowed to the merchants of both countries was also objected to on the ground that the superior capital of the British would enable them to drive their American competitors out of the field. It was still further urged that freeing the trade from all imposts with the exception of "native duties" would likewise give an advantage to the British merchants owing to the fact that goods imported into Canada paid little or no duty.<sup>2</sup> Those who supported the treaty on the other hand emphasized the valuable trade lying within British territory which was thrown open to American merchants. They were certain that sufficient capital could be obtained to carry on effective competition with foreign traders, and as for American merchants, were they not as enterprising as their rivals?<sup>3</sup> It was also asserted that the Albany communication with the Great Lakes was much superior to that by way of the St. Lawrence River, a circumstance which would redound to the advantage of the Americans. In support of this argument, Representative Cooper, of New York, called attention to the diligence with which the British had guarded the Albany communication by means of the garrison at Oswego.<sup>4</sup>

The British on their side regarded the article defining the status of the Indian trade of the Northwest as of much importance, as is shown by an incident which occurred in  
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<sup>1</sup>Annals of Congress, 4th Cong., 979, 1007, 1029, 1195.

<sup>2</sup>Ibid., 979, 1029.

<sup>3</sup>Ibid., 1053, 1071.

<sup>4</sup>Ibid., 1095, 1097.





connection with one of the provisions of the Treaty of Greenville, concluded between General Wayne and the Indians on August 3, 1795. The eighth article provided that all persons trading with or residing among the Indians who were parties to the treaty must have a license procured from the proper United States authorities.<sup>1</sup> The British ministry took exception to the article on the ground that it was in violation of that portion of the Jay Treaty which guaranteed to British merchants a free participation in the Indian trade, and Grenville instructed Phineas Bond, who was then representing Great Britain in the United States, to demand an explanation from the American government. Dorchester was informed that all arrangements looking toward the evacuation of the posts must be provisional, until the matter should be adjusted.<sup>2</sup> The difficulty was easily settled, however, and on May 4, 1796, an explanatory article was concluded, which declared that no provision in any subsequent treaty should be regarded as impairing the commercial privileges granted to the subjects of both Great Britain and the United States by the treaty of 1794.<sup>3</sup> This incident is of importance chiefly because it reveals the extreme jealousy with which the ministry guarded British fur-trading interests.

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<sup>1</sup>American State Papers, Indian Affairs, I, 563.

<sup>2</sup>Report of the Privy Council, January 14, 1796, P. R.O., F. O., class 5, vol. 16; Grenville to Bond, January 18, 1796, Simcoe Papers, V, 5; Portland to Dorchester, January 15, 1796, Canadian Archives Report, 1891, Calendar State Papers - Lower Canada, 121.

<sup>3</sup>Malloy, Treaties and Conventions, I, 607.



The principal posts were evacuated in the summer and autumn of 1796 and American garrisons took formal possession.<sup>1</sup> Thus ended the long diplomatic contest which had begun even before the ratification of the Treaty of Peace and in which the struggle of the British to retain their monopoly of the fur trade had played such an important part.

The Jay treaty and the evacuation of the posts formed the logical sequel to the decision which had been reached during the course of the negotiations in 1783, when it was agreed to leave the settlement of questions affecting the status of the fur trade to a future commercial treaty. Great Britain very naturally delayed the evacuation of the posts, pending such an agreement; and she likewise avoided the negotiation of a treaty as long as possible, led by a desire to secure to her merchants a monopoly of the peltry trade and always hoping to be able to secure an alteration in the boundaries which had been established in 1783. The United States stood firm, however; and consequently, when an agreement was finally reached, it constituted what it was originally intended to be, namely, a treaty of amity and commerce. After tracing the course of events connected with the history of the Northwest between 1783 and 1796, the conclusion is inevitable that a desire to retain control of the fur trade was largely responsible for England's policy and that the argument based upon the failure of the United States

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<sup>1</sup>Winsor, The Westward Movement, 482,483.





to give satisfaction in the matter of the British debts was to a considerable degree a diplomatic pretext for refusing to evacuate the posts. Though Great Britain failed to secure any change in the provisions of the Treaty of 1783, the continued occupation of the frontier posts enabled her to strengthen her monopoly of the commerce of the Great Lakes' region; and as a result, the influence of British merchants and traders continued to be felt within American territory until the close of the War of 1812.



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(Now the property of the Detroit Public Library)

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to the fur trade, these papers of Lord Shelburne are of value for any study of the Treaty of 1783.

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Series S. Department of Indian Affairs. - Contains a number of portfolios of original documents from the Indian department of Canada, covering the entire period of the present study. The collection includes many memorials, petitions, etc., dealing with the fur trade, as well as returns of Indian trade licenses issued by the governor, which are considered separately. An exceedingly valuable collection, which has not hitherto been exploited.





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McGill University Library

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Public Record Office, London

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See addendum, p. 269.

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Addendum.            (Toronto Public Library)

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Vita

The writer was born in Avon, Illinois, July 24, 1892. His preparatory work was done in the Avon High School, from which he was graduated in 1909. The following four years were spent in Knox College, Galesburg, Illinois, the degree of bachelor of arts being received in 1913. During the year 1913-1914, he held a fellowship in history in the graduate school in the University of Illinois, receiving the degree of master of arts at the close of the period. During the two following academic years, he held a fellowship at the same institution. In the fall of 1915, two months were spent in Canada on leave of absence, which time was occupied in gathering material for the present study. The summers of 1914 and 1915 were spent in editorial work connected with the Illinois Historical Collections. The writer's publications are "The Shaw-Hansen Election Contest," in the Journal of the Illinois Historical Society for January, 1915; and a review of Wraxall's Abridgment of the New York Indian Records, in the Mississippi Valley Historical Review for March, 1916.







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